



Fifth Session - Thirty-Fifth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
GRAY, Avis	Crescentwood	Liberal
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
KOWALSKI, Gary	The Maples	Liberal
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MACKINTOSH, Gord	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCORMICK, Norma	Osborne	Liberal
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
ORCHARD, Donald, Hon.	Pembina	PC
PALLISTER, Brian	Portage la Prairie	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROBINSON, Eric	Rupert's Land	NDP
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
SCHELLENBERG, Harry	Rossmere	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 25, 1994

The House met at 7:30 p.m.

ORDERS OF THE DAY (continued)

COMMITTEE OF SUPPLY (Concurrent Sections)

EDUCATION AND TRAINING

Mr. Deputy Chairperson (Marcel Laurendeau): Good evening. Will the Committee of Supply please come to order?

The committee will be resuming consideration of the Estimates of the Department of Education and Training. When the committee last sat, it had been considering item 5.(a)(1) on page 43 of the Estimates book.

Hon. Clayton Manness (Minister of Education and Training): Mr. Deputy Chairperson, as I indicated last night, I was going to try and bring additional information to the committee with respect to Workforce 2000.

I undertook to try and provide additional information with respect to Caron's Collectibles Inc. This company produces customized greeting cards and business cards by doing the design work and printing the product to customer specifications.

The total value of training was \$18,000 for 168 hours of training for two employees. The cost to Workforce 2000 was \$10,000, representing 56 percent of the eligible costs of training. Workforce 2000 funds up to 75 percent of eligible costs of training to a maximum of \$10,000 per fiscal year.

The training was specifically tailored to meet the business requirements of Caron's. This training involved new digital graphics technology specifically tailored to permit Caron's to take a painting or drawing, scan it and digitally transfer that painting or drawing to a press system. The training included familiarization with several input

technologies such as computer-assisted design, 3-D rendering, motion-video imaging, photographic compact discs and desktop communications. This is an active company.

Mr. Deputy Chairperson, I also undertook to provide some additional information with respect to Murray Chev Olds: Training of nine employees for 120 hours of training in quality assurance, this was done by Automotive Service Consultants Inc. The total cost of training was \$26,600. The actual Workforce 2000 contribution was \$9,258.

I might point out that of interest was the fact that the Workforce 2000 training consultant did background research to ascertain whether this specific training—and we are talking about training related to the introduction of new processes to the businesses—had received government support in other jurisdictions.

In 1992, the Ontario Skills Development program approved funding to seven dealerships in Thunder Bay, Ontario, for applied service-management training delivered by Automotive Service Consultants. The training was rated as excellent by the participating dealerships. Prior to the training, the needs assessment measured existing system efficiencies and provided a cost-benefit analysis which was utilized as the basis for onsite training. A monitor was conducted by Workforce 2000 training consulting at the first classroom session in Portage la Prairie. Training was well organized and received a positive response. A second monitor occurred onsite at Murray Chev Olds. The trainer met with all of the participating employees, requested feedback from participants, and then incorporated that feedback into subsequent training at the dealership.

Mr. Deputy Chairperson, that is the information that I have to provide at this time.

Ms. Jean Friesen (Wolseley): I want to thank the minister for that. I wondered if he would have an

address where one could actually have an example of Caron's Collectibles. That was what I was having difficulty finding from the information the minister gave us. Is there a business address or somewhere one could look at the greeting cards or purchase them?

Mr. Manness: Mr. Deputy Chairperson, I do not have that information. I am led to believe, though, that they are not a formal business in the sense of being registered. They are an informal business, and they are located outside of the city of Winnipeg.

* (1935)

Mr. Kevin Lamoureux (Inkster): After we had the break, I had asked the deputy minister if he could get me some figures. Unfortunately, I was not able to get here early enough to talk to him in advance to it. I believe he has it now, maybe. I am wondering if the minister can just clarify what the specific funding formula is for special needs I.

Mr. Manness: For Level I, you take the population, you divide by 180, and whatever that quotient comes to, you then multiply by \$43,700, or allowable expenditures, whichever is less.

Mr. Lamoureux: When we had left, when I had asked the question, again I am not 100 percent accurate, but Hansard would demonstrate, I believe it was, the minister, when I asked him specifically about St. John's-Ravenscourt, he had indicated that you take the number and you multiply it by 154. So, using the formula the minister just finished talking about, that would not indicate, then, that St. John's-Ravenscourt would receive, if you go—I understand there are approximately 650 students. If you divide that, you are looking at 4, say, times the 43,000. It would be a grant of approximately \$157,000 to St. John's-Ravenscourt?

Mr. Manness: No, Mr. Deputy Chairperson, there is a different formula in place for the private schools. The private schools, in this case, is a \$154 times the student enrollment, \$154 per student. The number, the product, then, is much less than the \$157,000 referenced by the member.

Mr. Lamoureux: I do not have my calculator here, but I believe it would be around \$100,000 for

St. John's-Ravenscourt. I did ask questions with respect to that. I do not want to continue on that particular line. I think that the minister indicates that he has a committee that is addressing the whole issue of special needs and the different funding formulas that are out there.

It was interesting, I did get the chance to talk to the member for River Heights (Mrs. Carstairs) after we had broken, and she had indicated to me that Alberta, in fact, went back to the old system, from what I understand. They used to do what we currently do, and because of the discrepancy between the different school divisions and the independent schools, I understood that they actually went back to the way we used to do it, which no doubt, administratively, was an additional cost in order to implement, but it was more fair than the current formula. I do not know if the minister would want to comment on that. If not, I would like to continue on to another area.

Mr. Manness: Only to say this, Mr. Deputy Chairperson, that we must remember that there was an equivalent per student last year provided of \$63 in support of special needs. So that, then, does not represent, when one looks this year compared to last year, \$100,000 increase to the institution mentioned. It basically represents \$60,000, yes, a \$60,000, in rough terms, increase.

As far as the Alberta situation, if the member is asking us to emulate education funding in Manitoba compared to if he wants us to change the system of funding in Manitoba to reflect that in Alberta, I would hope he would state that for the record. Generally overall, they took 10.8 percent out of the system and, certainly, there is a mature system of funded support in Alberta that has never existed, in other words, a fully funded Catholic school, Mr. Deputy Chairperson.

* (1940)

It would be nice to be able to pick and choose the best of everything, but unfortunately that is not possible. What we have decided to do, and we said we were doing, we will review again as governments have long before us and indeed continue to do—every three or four years special needs requirements are reviewed. It has tried to be

determined with greater accuracy where the logistics lie, where the greater focus is, because these issues shift over a period of time. I say, in all honesty, that we are committed to that. As I indicated on the record the other night, we have funding in place to do this analysis and maybe after we have the results and do the evaluations, at that time we may again change the funding formula to reflect those realities.

Mr. Lamoureux: Yes, Mr. Deputy Chairperson, just wanting to move on and not necessarily having the last word because the minister might want to comment on it again.

I believe what I was referring to is the model that Alberta is using, not necessarily the amounts of dollars that are being allocated out to special needs. It is just that they are recognizing that there is a difference in the social economic demographics of different regions in the province and felt that working on a straight percentage across the province was not, in fact, appropriate. This is what Alberta is, in fact, acknowledging.

This is what we did acknowledge up to the change that his predecessor in Roblin-Russell implemented, that particular change. I believe that it was pointed out to him at that point in time, that that will cause a number of discrepancies depending on the school division that you are in. Some will be penalized more than others.

I did want to move on to the whole question of block grants, I should say conditional dollars, that are tied. For example, the Department of Education will say we want to have libraries enhanced, and we are anticipating that the school divisions will use this block amount of dollars towards improving libraries or whatever else it might be.

I am wondering if the minister can just give some sort of an idea—money that is actually tied from the Department of Education that goes into the school divisions, how is that followed up to ensure that the monies that are being allocated are in fact being used for what they have been allocated for?

Mr. Manness: Mr. Deputy Chairperson, we are into the area of categorical grants, and the FRAME

budget which we provided to the member, I believe last night, shows division by division, the amount of expenditure within the library services area. I might indicate that there has always been an on-running dialogue between school divisions and the department as to whether or not there should be fewer categorical grants and therefore greater block funding that would lead to greater flexibility at the school division level. That is an ongoing discussion and will continue to be, I am sure, regardless of who is in government at what time.

I think it is important to indicate that the Provincial Auditor has reviewed the Schools Finance Branch. Of course, the Provincial Auditor wanted to indicate, or at least find out, come to some conclusion, as to whether or not receiving divisions were spending money in accordance with the direction of the funding as laid out in the formula.

By the Provincial Auditor's assessment, at least, there was compliance as far as school divisions' spending in the areas that had not been targeted by way of funding formula, including library services.

Mr. Lamoureux: Can the minister indicate under the categorical grants what would be the library services policy or the conditions? I am not too sure of the actual wording that I should be using, but how has the minister instructed the expenditure of monies towards libraries?

Mr. Manness: The definitions, of course, again come out of the glossary of terms that are presented in the FRAME reporting document, and the formula is the lesser of eligible enrollment divided by 600, multiplied also by that \$43,700, plus \$15 per eligible enrollment. So it is the lesser of that or allowable expenditures. In other words, that is the maximum one can receive, yet if the division spends less on that by way of the FRAME accounting, if less is spent, then they do not receive what the formula would provide; they receive an amount equivalent to what they actually spent.

* (1945)

Mr. Lamoureux: The department monitors that. Again, the Provincial Auditor goes through the department's and the school divisions' budget to confirm that. I am not completely sure or

understand in terms of how the Department of Education ensures that the money is actually being spent, in this case, for libraries. One of the specific reasons why I bring it up is because of the resource-based learning document in which there are strong recommendations in terms of that provincial involvement.

Some of the individuals that I have talked to actually gave good marks to the government if in fact they follow through on some of this. A couple of the concerns that were quite specific were how government ensures that there is some accountability to the monies that they have allocated out. That is the reason why I ask the question.

Mr. Manness: We do not have the capacity to go through all of the line-by-line expenditures of school divisions to determine whether or not the proper allocation as to category has been done by their administration. So we rest very heavily on the audited financial report from the school divisions as prepared by obviously creditable outside auditing firms.

We, therefore, I guess, put a lot of trust in the professional accountancy trade and the way that they certify the audited financial statements of the school division, because they also know that obviously the professionalism around their column would be severely impacted if they misallocated these numbers to the wrong category. We very much heavily rely on the financial statements of school divisions.

Mr. Lamoureux: Could the minister indicate, how would the department measure or evaluate the success of the school library funding? How would they measure that? Is there something?

Mr. Manness: Mr. Deputy Chairperson, that is very difficult. It is hard enough to measure the effectiveness of the whole public school model, let alone to take a subset and indicate whether or not library services were contributing greatly or could contribute even more to success. We all intuitively know that libraries and resource materials have a real fundamental role to play in learning. We accept that.

Now, the member says, well, to what degree is it important? I cannot answer that question other than to say, good libraries, well managed, well used by the student body are obviously tremendous resources.

Mr. Lamoureux: Mr. Deputy Chairperson, the other area that I wanted to comment on was, and I had made reference to it at the beginning of the Estimates, and that was the actual cost that would be put on to the Department of Education because of offloading from other departments.

I am wondering if the Minister of Education could give us some sort of an idea. An example that I quite often use is the additional demands on our schools and professionals in education to provide counselling, physiotherapy, the whole special needs issue again could come into this area, where at one point in time other departments were picking up the tab for this. I am wondering if the minister could give us some sort of indication where the government currently is at with respect to trying to come to grips with the offloading from the other departments.

* (1950)

Mr. Manness: Mr. Deputy Chairperson, the member would like to pretend, and I know others in the education field would too, that this is the fault of other departments. Set up the enemy now as being the Department of Health or the Department of Family Services. We are a government. We govern in an attempt to reach out to the needs of all our citizens. Where the funding comes from or what Estimates we happen to be in does not really mean a lot.

The great arbiter becomes the Treasury Board process, the Premier and the Minister of Finance and the Treasury Board ministers, who sit and make these decisions. They are not made in the closed context of this department versus that department versus the next department, they are made in the context of the greater good for our citizens.

The member seems to believe that if Health now picked up a greater share of some of the health-associated costs that appear to be happening and that are happening within the public school

system, and if Family Services would embrace a larger measure of the costs that are having to be picked up by Education, then Education would be better off. Mr. Deputy Chairperson, that is kind of an academic argument. Those two areas have not offloaded. How can you say that Health has offloaded, when we have put \$500 million more into Health in the seven budgets that we have brought forward. So what is the member then saying? Well, you should have put \$600 million more into Health. It would have kept pure the funding with respect to Education, not ask it to do more things.

The reality is, Mr. Deputy Chairperson, we have asked Health, within their \$1.8 or \$1.9 billion budgets, to do more things. We have asked Family Services, within their area of budget, to do more things. That is because we have identified more needs or more problems. There are more professionals coming along pointing out to the problems, and there just has not been any more money. So we have to do as much and more with less. Education is no different.

Some would like to set up this wall of demarcation and say, well, keep all the health problems out of education, keep everything else out of education.

Mr. Deputy Chairperson, government did not impose in all the cases. Society said that they wanted the school to do certain things. Society said that they wanted the government through the Department of Health to do certain things. Society has also said that they will pay only so much for accomplishing all of the good around the needs, real and perceived, that are out there. Of course, the greater arbiter becomes the government of the day.

* (1955)

I say to the member, I know where he is going. He would like to say there would be more support for education if we could more clearly define the roles and keep them within their boundaries. It is not that simple.

Mr. Lamour eux: Mr. Deputy Chairperson, I want to bring up an example that is quite often brought up to me in my capacity as Education critic. That

is, for example, when mainstreaming came into place, when government decided that the special needs students should be integrated into the public educational system, and society is what dictated to government, at least in part, that that be— [interjection] Well, the minister says totally. I believe that everyone that was associated was quite supportive of seeing mainstreaming done, but I believe there was also an expectation that the level of funding would also be there to support that.

Using this as a specific example, I was not around when it was actually implemented, at least inside the Chamber. Can the minister indicate the year in which that would have been implemented and be able to demonstrate the difference? What sort of an increase in funding would have went to, let us say, the Department of Education, because no doubt there would have been a substantial decrease in Health?

Mr. Manness: Mr. Deputy Chairperson, I think this process started in Canada 15 years ago. It may have been 12 years ago. It may have been 16. I could ask the educators around this table. They would know as well as me as to when mainstreaming really began. Certainly it started in the '70s, from my memory, in a significant fashion, and it has been growing ever since. Governments have been putting incredible amounts of money into education to take into account this and other demands.

If you want to look at the history of education funding through the '70s and '80s, when all types of political parties were in government, there was an explosion of the number of dollars that went into education. As I have said many times, this explosion of dollars, of revenue going in, was based not on taxing people of the day but for the most part was borrowed money. At the end of the day, society turned around and they saw, and still do see, incredible needs, but the ability to borrow is no longer there. So then it becomes a period of very difficult decisions.

The member for Inkster, today, gave us some incite as to how the Liberal government, if they become government, how the Liberal Party will

handle the situation. They are saying they are going to put even more money into education. They will pull it off of property, and they are going to tax people. They are going to increase personal income taxes significantly.

Mr. Deputy Chairperson, the equation is the same. I will not let the member move into this dialogue on special needs and the funding and the support thereof unless he is prepared to accept dialogue around the larger picture. The larger picture dictates that the government of the day can only reach so far in trying to solve the problems or direct funding in support of all of the pure academic areas of education, also the desire of society to see all students of all mental capacities and indeed of physical capacities have opportunities that somehow are equitable, but at the end of the day, somebody has to, of course, pay for all of this activity.

* (2000)

Mr. Lamoureux: Mr. Deputy Chairperson, again, I would go to the minister and look at some of the social services that are being administered today, particularly some of the school divisions, where you will have breakfast programs, in some cases lunch programs. It is not necessarily because of individuals were wanting to have their children have breakfast at school and this is why the program was instituted, it is because in many cases the children were not eating before coming to school and their minds during the morning would have been on eating, therefore not enabling them to learn what is being taught, if you like.

There just tends to be, and this is a consistent discussion that I have with different interest groups, more and more reliance on Department of Education to pick up on costs that are not necessarily related directly to education. I guess I am most interested in trying to find out what, if anything, the Department of Education is doing to at the very least recognize that. Is there something that is in place saying, look, this is in fact what it is costing the Department of Education to be able to do, this aspect of it, even though it might not directly be teaching in the classroom or however else one might want to say it.

Mr. Manness: Well, Mr. Deputy Chairperson, we reviewed this issue in part the other day when we talked about the \$10 million or \$10.2 million that was put into at-risk funding, 60 percent of it or at least \$5.9 million going to Winnipeg School Division No. 1, to take into account some of the variables or factors that the member addresses in his commentary.

Money is not going to fix all of the problems that the member addresses. He may not believe it. I know there are some in the education field who believe that if there were twice the amount of money then all the problems will be fixed. That is not true. I do not pretend to be an expert in the field, but I do watch human nature and activity very, very closely.

I am mindful, as I look around either in our own backyard as a province or whether I look at other developing countries where indeed the level of support, individual, by family and/or by state is a pittance as compared to what we have here by way of state support. Yet, in those circumstances, I see the love of learning that is in the house. Nothing comes before it, absolutely nothing, so much so that the parents, they will find, they will give the highest priority possible to making sure their children are fed and have shelter and have comfort so they are in a position to learn. These are socioeconomic factors that exist in some of the poorest countries in the world.

I am not saying anything other than if there is a desire for learning and it comes No. 1 within the household, however you define it today, there will be means. But, I recognize that the love of learning is not No. 1 within the Canadian context in many of our homes, not only that, within the North American context. So society has taken upon itself, either through the province supporting by way of \$10 million and/or school divisions going beyond that, they have taken upon themselves the responsibility for trying to be the surrogate comforter, surrogate parent, if you will. That works to a degree, but that in itself will never make up for the shortfall in the home.

Mr. Lamoureux: Mr. Deputy Chairperson, because I know there are other members who

wanted to ask some additional questions on this, I wanted to emphasize at no point have I ever indicated that the overall budget of Education, in order to deliver a better quality education, that you have to increase the overall budget of Education. I have suggested, I believe on numerous occasions, that you need to change the way in which monies, tax dollars, are in fact being collected.

I just thought it was important that I put that on the record. It is not to limit what it is that I might say in the future in terms of the overall budget for Education, but there has been a significant amount of movement towards more regressive forms of taxation, whether the minister wants to acknowledge it or not.

I just want to make that point, because I know when he goes out to speak he constantly makes mention that you do not have to throw dollars in order to resolve the problems facing education. I believe the minister also has to acknowledge that there is a need for adequate resources, and if in fact it is demonstrated, then it comes to a question of government's priority.

If there is a shortfall of dollars to provide an adequate level of quality education, then there is a need for additional dollars. We see that through independent schools where there have been hefty increases during the same period of time in terms of tuitions. So to try to say that the dollar has absolutely nothing to do—or to increase the education does not necessarily guarantee the quality of education will get better—is somewhat misleading.

I think that if the money is allocated, and there is accountability, and there is monitoring, the more money that you provide, the better the quality of education you are going to be able to deliver. For the minister to make the blanket statement that, look, we are going to operate from within—and I must admit it is like the whole education reform package. I only started hearing about education reform when the minister decided that he is going to have a cut. The previous ministers, I did not hear them going around saying what the current Minister of Education is in fact saying. So I just

wanted to say that and let other individuals here ask some questions.

Mr. Manness: What you have now is the classic case of confession by the member for Inkster and the classic backup scenario where he is trying to protect himself from the statements he made earlier. I am not going to let him do that. The Liberals are fully on the record stating that they would like to see the removal of education tax on property, and they would like to see it funded out of the consolidated revenue. They would, in other words, like to see income taxes go up significantly and/or payroll taxes and/or sales tax and all the consumption taxes.

I acknowledge they are both taxes. What the Liberal Party is saying is that they are now going to see a significant shift. They are going to call on income taxpayers and consumers of products that are now taxed to pay a significant higher level of levy.

My final comment in respect to the member's statement is that he says that they have never said we should put more money into education. When the member is talking about not sufficiently funding special needs, what he is saying is that you have not put enough money in, or else you are putting too much money in another area of education.

Again, I challenge him to tell me what areas of education, either by division within the public school sense, what divisions are we putting too much money in? Are we putting too much money into community colleges? Are we putting too much into universities? Are we putting too much into other areas of education so that we should direct more to special needs? I mean, he has to do more than just say, no, these are the priority areas, find some more money within the education envelope.

I would hope that he would find it within his heart to tell us what areas he would then reduce, because I think that is crucial. And if he wants to be open with the public, I would suggest that he provide that information.

Mr. Gregory Dewar (Selkirk): Mr. Deputy Chairperson, it is a pleasure to participate in the

debates concerning the Department of Education and Training. I want to raise a few issues this evening in terms of the Lord Selkirk School Division. As the minister is aware, the Lord Selkirk School Division No. 11 experienced reduced revenues and government grants, minus 5.88 percent or a reduction of over \$1 million in the 1994-95 school year. This will result in the staff reductions of 47.5 full-time staff, 25 professional staff and 22.5 support staff. As well, they will be required to close the system down for eight days because of Bill 22, and there also will be a reduction in the transportation budget for extracurricular field trips by \$60,000, which would explain why there are no children visiting from Selkirk to the Legislative Building in the last couple of weeks.

I want to ask the minister, in light of all these cuts, what action is he prepared to take, or what action has he taken to alleviate the effects of these cuts upon the students and the staff at the Lord Selkirk School Division?

Mr. Manness: Mr. Deputy Chairperson, that is part of the record. We addressed that. Outside of the formula, we have tried to work out or offer an arrangement to Transcona-Springfield whereby we would advance a level of funding from next year's proceeds to try and help for a period of a year so that the impact of the decisions that they have finally agreed to did not have to be quite as severe. Secondly, once the effect of the taxation cap is off, and I am talking now about Bill 16, they will have an opportunity to decide either to find additional expenditures and/or go to the local ratepayer for additional revenue.

* (2010)

I point out to the member, I know he must be fully aware, that in 1992-93 this division received a 3 percent increase. I would point out that in '93-94, given that there was a 4.2 percent reduction in student count, there was a 3.4 percent reduction in funding. In '94-95, the member, of course, regrettably, fails to point out that there is a further reduction in student count of 5.5 percent. Nobody really talks about that, Mr. Deputy Chairperson. Nobody wishes to be honest and

open with the facts. That, in part, is responsible for the reduction of 5.9 percent, as indicated to the member.

There is another obviously outside impact, and that is, of course, the reassessment impact. It has hit this division hard. I took that into account. It hit many divisions hard. I sense this division and Agassiz School Division No. 12 warranted some special consideration, the only two divisions throughout all of Manitoba that I sensed we should try and find some solution to deal with their problem.

Mr. Dewar: In the beginning of your answer, you mentioned Transcona-Springfield. Were you referring to Transcona-Springfield or to Lord Selkirk?

Mr. Manness: I am sorry, Mr. Deputy Chairperson, the record should show Lord Selkirk. I was in error. Yes, I did mistakenly say Transcona-Springfield. I meant Lord Selkirk.

Mr. Dewar: I do not agree with the position put forward by the Leader of the Liberal Party, and that, of course, is to kill a grant or a loan to a business that is interested in setting up in Selkirk, which, according to the Liberal Leader, if you were to follow his logic, would mean the killing of 594 jobs in the community. He suggested that instead of giving that grant to a reputable firm, they use that money to help the school division. Well, I do not agree with that. There are other means, of course, to help the school division. My colleagues have mentioned numerous examples of funding for elite schools and some of the questionable grants given to Workforce 2000, the \$600,000 that is spent by the Lotteries corporation promoting Conservative backbenchers in the Selkirk paper. It is a great series. Every week there is a new one, and we have a chance to view all the fine work of the Conservative backbenchers as they go around cutting ribbons. This is, of course, dubious work on their behalf.

Another thing is the Manitoba Telephone System. They recently had to double their advertising budget from \$3 million to \$6 million because of long-distance competition. So there is plenty of money there that the minister could have

brought forward and used to support the public education system in Manitoba.

As the minister is aware, the Lord Selkirk School Division No. 11 encompasses an area much larger than simply the town of Selkirk. William S. Patterson School is in Clandeboye, which is in the Gimli constituency, and Happy Thought and Walter Whyte are in the Lac du Bonnet constituency. I would like to know, what representation has the minister received from the member for Gimli (Mr. Helwer) or the member for Lac du Bonnet (Mr. Praznik) in terms of these cuts to their school division?

Mr. Manness: Mr. Deputy Chairperson, I thought the member for Inkster (Mr. Lamoureux) was all over the map. The member for Selkirk (Mr. Dewar), he makes no sense at all.

I did not hear the member for Selkirk criticize Workforce 2000 when directing some funding to the Selkirk Rolling Mills. I have never heard one word of criticism. Indeed, I have not even heard criticism from the member for Wolseley (Ms. Friesen). So the member has to be consistent. When he runs down Workforce 2000, then he had better try and be somewhat consistent.

I should also correct for the record, I was looking at the wrong chart when I was talking about per pupil reductions, Mr. Deputy Chairperson. I was in error when I made reference to Lord Selkirk as if there was a significant reduction in pupils.

I do not know what the essence of the member's question is. Is he asking me to justify how it is that there have been some expenditures within Crown corporations that have increased? Is he asking me why I did not begin to attach myself to these levels of funding for communication purposes in Crowns and move it into the public school system? I do not know what he is suggesting. All I can say is that Lord Selkirk School Division had an impact, through reassessment, had a loss of \$360,000. We also know, at least by the financial audited statement of the school division as of June 30, 1993, almost a year ago, that that school division had a surplus of \$450,000.

Mr. Deputy Chairperson, we also know that the special levy mill rate at 12.7 is amongst the lower, but I will not pass judgment on anybody's local mill rate. So there are decisions that school divisions have had to make, obviously, and most have made them because they understand fully well that government today and government tomorrow is not going to have large sums of money to direct to school boards by way of grant. Anybody who wants to be honest with themselves, they do not need to be honest with me and they do not need to be particularly honest with the government, but if they are going to be honest with themselves, they will know that governments are at the realities of a time when there are not going to be significant increases in revenue. We may be in this period for a couple of years yet.

So, Mr. Deputy Chairperson, I know that most school divisions, including Lord Selkirk, realize this. As distasteful as some of the decisions are that they have had to make, I know that in the long run the school divisions will just be in a better position to deal with the eventualities of the future because of the decisions they have had to make, like many others have across the province.

Mr. Dewar: In terms of the MRM, I spent two and a half years of my life working in the rolling mills. I do not need any lesson on the Manitoba Rolling Mills. As I worked there I recall that there was a serious commitment made by the Pawley administration to that particular facility. I know that we had a chance to visit there recently and discuss many, many topics with the president, and they at least showed us their curriculum in terms of their grant they received.

I do not believe that we have had a chance to see the curriculum from Keystone Ford owned of course by Mr. Kozminski.

The question I was raising was, are we getting any help? I am speaking of the member for Dauphin (Mr. Plohman), who has raised this issue, and myself. Are we getting any help from the member for Gimli (Mr. Helwer), the member for Lac du Bonnet (Mr. Praznik)? Their constituencies are also within the boundaries of the Lord Selkirk School Division. Are we getting any help from

them in our fight to stop this attack on the Lord Selkirk School Division? Apparently they have not. They have sat around the table and said, go ahead do it, cut it. They have done absolutely nothing. They are silent. They are in the bunker on this issue.

* (2020)

I just want to know, has the minister received any comment from them? Where do they stand on this cut to their school division?

Mr. Manness: Mr. Deputy Chairperson, I do not know how that question is in order. Did I ask the member whether his Leader put him up to this question? Is this what they discuss at their caucus? Because he has no notoriety in the Selkirk community, has his Leader put him up to asking this question so he can run around with Hansard and say that he has protected Lord Selkirk? I would think that question would be as out of order as much as the one he posed to me.

Mr. Dewar: Mr. Deputy Chair, at a recent meeting of the board of trustees of the school division they passed the following resolution that the board appealed to the Minister of Education and Training with regard to the 1994-95 funding. They asked to meet with the minister. I ask the minister if he had a chance to meet with the board of trustees of the Lord Selkirk School Division No. 11.

Mr. Manness: I had a meeting, as of this morning coming in, with the Lord Selkirk School Division, I believe set for May 31 at eleven o'clock. My secretary had to cancel that today because of another meeting of education reform that has come forward. I am meeting with all the partners in education on education reform again on May 31. I have asked the Lord Selkirk School Division to set the next best time for them as quickly as possible that I might meet.

Mr. Harry Schellenberg (Rossmere): I have more concerns, maybe some questions, concerns passed on to me by parents, teachers, trustees. I appreciate your comment that love of learning is maybe lacking sometimes in our schools. That climate is fostered by government, education

leaders over the years. I do not mean just right now either.

As we look at your whole funding formula, as I have been listening here, it is based on really the three Rs. It seems to be the basic educational philosophy to support that. You can see the cuts to specialists like phys ed, guidance. Those are cut. It seemed like they maybe are not too important. The grants to them are cut, as I understand. Also, there is great fear that physical education and the Independent Skills for Living will become optional courses. There are those fears, and there has not been too much support for extracurricular activities, and also the belief in teaching the whole child seems to be slipping somewhat.

(Mr. Jack Reimer, Acting Deputy Chairperson, in the Chair)

The dropout rate is increasing. I am not just blaming the government of the day. That is a great concern, violence and abuse, and people are concerned about the—I just got a phone call today—educators about the emotional, social, physical needs of students.

Will the educational reform revitalize our schools? We are not looking for perfection. That is a question that I would like to leave with you. I know it is very general, very broad, very difficult to deal with. But how will our classrooms be changed so that there is a love of learning? It is very difficult, I realize, but it is more of a—I raise that as more of a concern and as an issue.

Also, there is fear that we might be going back to the '50s and '60s. We do have the '90s now, and the solutions to our problems are very different. We have a very different student. That is a concern. If we look at the early Greeks and Romans, and I just paged through a book recently, they emphasized music, drama, art, phys ed, excellence and so forth, and they, of course, built great, great civilization, and their educational system was the basis of it.

I do not know if we have really addressed the issue of revitalizing our schools. That is my major concern, and that is being passed on to me continuously by people in the educational field.

Mr. Manness: Mr. Acting Deputy Chairperson, I do not know where to begin. I guess I could spent two hours in addressing the issues brought forward. Certainly the concern as posed in the question is one shared by most of us around this table.

I have to correct the member, though. In the preamble he talked about reduced funding for physed and for some of the other—Mr. Acting Deputy Chairperson, we do not fund by subject. The funding formula has nothing to do with subject matter. We provide funding on the basis of students and classrooms, so I do not know what he is talking about funding. Maybe he is mixing it up with the fact that we have not seen fit to fill the position of the physical education consultant within the department, and that is a long stretch away from not funding physical education.

I say to the member and I realize he is new to this process, but be very, very careful what information one receives from those who lobby you and always check it out with another source. If it is something that one does not do, he ends up ultimately being horribly embarrassed and losing a lot of credibility along the way.

Mr. Acting Deputy Chairperson, revitalizing the schools, I think it is the issue that bedevils not the province of Manitoba and outside of any other province of Canada, outside of any nation in North America, outside of the western civilization as we know it. It is facing all of us. The member talks about bygone civilizations, Greek and Roman, and I have studied those civilizations also, and the member is right. These were well-rounded students, but the first focus was on literacy, the first focus beyond that was on mathematics and science, and yes, there were expectations beyond those courses which were included in the day-to-day learning, and good students came from that.

I find it difficult to accept that from a teacher—the reading tells me that there was structure, incredible structure in the learning environment, incredible respect shown to the educational leaders of the day.

So the member can talk, and I can talk, and any person can talk about the well-rounded program. They can talk about the curriculum being improved. They can talk about more options, again, to making the well-rounded student, but I can tell you one thing, unless you have structure in that classroom and you have respect for who is imparting the knowledge, you have got nothing, virtually nothing.

If you are not prepared to give thought to the process of learning when you are not in school—in other words, if you are not prepared at times to take some work home and practise some of the thought process, the critical thinking, the problem-solving at times other than the classroom, there is also a difficulty. So the issue is monumental.

The member talks about going back to reading, writing and arithmetic. I do not know what he is talking about. I honestly do not know what he is—

An Honourable Member: There are those fears.

* (2030)

Mr. Manness: Oh, well, so there are fears. Yes, yes, because it is so easy in this game to brand somebody something. I have never used anywhere—can somebody show me in quotes?—Where I have used the term “back to the basics.” Not one person, and I have challenged hundreds, can show me that. But the fears, the telegraph of drums passing along the message that this Minister of Education wants to lurch this system back 50 years, back to readin’, writin’ and ’rithmetic.

Mr. Acting Deputy Chairperson, what I said was that I will do everything in the system that I possibly can to make sure that those students once they have achieved Grade 9 or 10 standing have an understanding of literacy, and that is not the proper term, but are literate far beyond what they are today even though they are in Grade 12. That will mean, yes, that there is going to be some increased focus on the core subject areas, and I make no apology for that.

Because today if you cannot read, and if you cannot write, you therefore cannot comprehend, you cannot pull yourself up. The basis of everything you do beyond formal education is

dependent upon your ability to communicate and to read and to write. If we do nothing more in this public school system—and I tell you today we are challenged today in large measure by those parents who really care to make sure that we at least do that well, because they will tell me, yes, I want a well-rounded graduate—but before I want that, I want them to have the ability that they can read.

Today our students, as I have said before, the 13-year-olds did the mathematics exam in comparative terms across the country, and this is not a reflection on Manitoba, this is a Canadian score, did relatively well in the mechanics of doing mathematics—A plus B divided by C multiplied by D. But put that expectation in the guise of a problem where you had to read and write and comprehend and yet do the very same mechanics to get to the very same answer, 16-year-olds could not do it.

Do not tell me what the problems are with respect to funding. Do not tell me what the problems are with respect to how it is we are favouring some subjects over another. Tell me why it is that our students who understand and maybe can do basic math, put it in terms of a problem, a written problem where you have to comprehend, and they cannot do it. Tell me what the problem is.

The problem is they cannot read. Well, why not? Why not? It is not money, because there are countries throughout the world, students in social economic conditions far worse, developing countries where they are reading, and they are reading far beyond our standards, Mr. Acting Deputy Chairperson.

So where does revitalization begin? The member says it should be a government edict that this love of learning come back. I am sorry, I would have passed that law, I am sure. The members of my government would have supported that law. It would have come in yesterday. And you know what? I bet members from the NDP would have supported it, too. You cannot government edict the love of learning. It is either in society or it is not.

I know my forebears, and I know the member's family history and I know his forebears, because it carried over to the member himself and to certain members of his family how important education is. But saying how important education is is just like saying that the future of the society is dependent on our youth. Well, that is like saying that morning follows nighttime and nighttime follows daytime. That is just what it is like saying.

So, Mr. Acting Deputy Chairperson, the reality is, who is going to revitalize education? Who is going to revitalize it? Well, we are going to revitalize it. We are going to seek the support from the opposition parties. There are going to be changes, but there are going to also have to be decisions made. Those choices are not going to be easy to some, particularly those who have been part of the education fraternity for a long period of time.

I am saying that I would ask that the member wait patiently yet for another few weeks and we will put out a basic blueprint. We will add to it after that period in time. It is not going to deny the importance, for one second, of physical education. Nobody has to tell me of the importance of physical education. But I say, if the community wants it, the community can have it, because if the member is saying, well, mandate it, then what he is saying is, keep the status quo. Keep the status quo. Keep it in physical education. Keep it in all of the other areas.

Mr. Acting Deputy Chairperson, do you know what? Today, knocking at the door are at least six other groups in society that want me to mandate units and courses in support of their vested interests. What they are saying, but they do not say it, is take away more time from those basic core curriculum subjects. Take even more time away from them.

So, when the member says, you are not going to mandate it, what he is saying is, the status quo stays. We have school divisions today, and schools, that are falling outside of the guidelines, and our general guideline is we expect 110 hours to be directed towards our subjects. Today, we are finding out that there are school divisions directing

to some of our core curriculum subjects 70 and 80 hours. How can that happen? [interjection] I hear the member for Wolseley (Ms. Friesen) muttering there. I do not know really what she is saying, but this is happening within the school system at present, and this government will not stand for that. Maybe the members opposite will stand for it, Mr. Acting Deputy Chairperson.

So, Mr. Acting Deputy Chairperson, this is what the revitalization will be. We know where we are going on this and so will the whole province in pretty short order.

Mr. Schellenberg: I just want to pass on concerns that I have been hearing. [interjection] Well, you mentioned structure lacking. We should ask ourselves, how do we achieve structure?

We will leave that, we should keep that in mind. But I was at a parent meeting just recently, and we were talking about the school system, abuse and violence and so forth. The community police were there and they said, well, people in the Legislature must show leadership, and they all looked at me. I am only one of 57, but they are looking for leadership from our Legislature, from all members. They are waiting, parents and so forth, students even, teachers, are waiting for direction. They are. It might not be the direction that they necessarily want, but they are waiting for it. There are many more concerns in the classroom that the teachers face every day, and it is very, very difficult for them in the classroom. But I think you are aware of that, and I will leave it at that.

Mr. Manness: Mr. Acting Deputy Chairperson, I know that the member means exceedingly well. He is encouraging us to take the strong leadership towards hopefully causing to come into being a revitalized system, and I appreciate his views.

Let me say, I fully understand that today, when you talk to the educators, yes, the teachers are one component of the educators. But there are other partners, and when they, of course, wear the mantle of expertise because they study the research, they are trained in this area, when you have had an opportunity to sit amongst the formal educators like I have on several occasions over the course of the last few months, what you realize is

there is so much expertise, there is so much reading of the research, there are so many different views that, left to find the solutions, I do not think it would happen purely within the educational community. So whose role and responsibility is it ultimately to try and take the good and reject the bad and move forward? Ultimately, it does become the government's responsibility.

I accept that, Mr. Acting Deputy Chairperson, but it is not going to be easy because there is a lot of turf that is going to be challenged along the way, and a lot of people are going to be asked or some people are going to be asked to take on additional powers. They may not want to take them on because that will be a threat in itself. With added power, of course, comes the added responsibility of having to make decisions and having to make changes and having to produce more effective education.

Mr. Acting Deputy Chairperson, I look forward to the dialogue around education and reform because each and every one of us, within and outside of education, as educators, are going to be significantly challenged. I will force at every opportunity to the extent that people disagree, and many will, with the thrust. I will challenge everybody to speak in the clearest of terms because if education reform needs anything today, it needs clarity of expression like it has never needed before, clarity of expression, not like the Liberals try to do, try and be on all sides of all issues. So there has to be clarity.

Mr. Daryl Reid (Transcona): I appreciate the opportunity to ask a few questions of the minister. I am going to be somewhat parochial in my questions, and most of them will be pertaining to the Transcona-Springfield School Division, although there will be the odd question pertaining to the overall policy with respect to the minister's Department of Education.

* (2040)

I have had the opportunity to meet several times with the trustees of the school division [interjection] Transcona-Springfield School Division No. 12 [interjection] and also meet with

the teachers within the school division itself. [interjection]

The Acting Deputy Chairperson (Mr. Reimer): Order, please. I believe the—[interjection] Yes, I agree with the honourable Minister of Agriculture (Mr. Enns). It is the member for Transcona (Mr. Reid) that is posing questions to the minister.

Mr. Reid: Thank you, Mr. Acting Deputy Chairperson. I probably should start over, since there were some distractions here, and put my comments on the record again.

I have had the opportunity to meet with the trustees of the Transcona-Springfield School Division a number of times and have met with the teachers of the division, as well. Of course, the questions that I am about to ask the minister are relating to policy and come from many of the discussions that we have had, not only with the people directly involved in the education system but the parents within the community, as well, who ask me why certain policy decisions are made and why certain funding decisions have been made and the impact that it has had upon the school division for which the schools of my community fall under.

We have seen a reduction in the funding to Division 12 over the last several years, and I know the minister has said this and his predecessor tried to say that they have received excessive amount of money in the past and that they should have no room for complaint. I know I have listened to those replies to my questions in the past.

Can the minister give me some kind of an understanding or information relating to the current enrollment levels for the Transcona-Springfield School Division and what the historical levels have been with respect to that division?

Mr. Manness: Mr. Acting Deputy Chairperson, while we are looking for those enrollment numbers, I would point out to the member that in '92-93, this division received a 6.8 percent increase. Funding of \$29.5 million increased to \$31.5 million. I cannot remember the member for Transcona (Mr. Reid) asking a single question on funding to this division that year when funding went up 6.8 percent. It was very much a favoured

division under the same formula that is in place today.

The member talks about numbers, enrollment numbers. There will be a slight drop, 1.3 percent, 100-plus students, 103 we are expecting in terms of the estimate as of September '94 as compared to September '93.

So back to what I was saying on funding. Last year, '93-94, after that significant level of increase, even though I would sense that the enrollment numbers had not changed, in '93-94, level of expenditure dropped 2.7 percent and this year it is forecast to fall an additional 3.6 percent.

I should also point out for the record that the support this year is 72 percent of the net operating expenditures, which is far in excess of many other divisions within the Winnipeg region; 40.1 percent of the unsupported expenditures in special needs, transportation, technology education and operation maintenance are equalized through supplementary support. This division is a strong receiver of supplementary support.

Of course, I know the member knows the former chair of the division, Mr. Marshall, very well, and he has made representation to me as to how there should be pure equalization across all the divisions. In other words, take even more money today from the so-called deemed wealthy divisions, and a lot is being taken today, an awful lot. I would point out that we favoured the divisor a little bit in that portion of the school division which is outside of the city of Winnipeg. We have applied the formula to help those schools, which of course is a benefit to the whole division.

I point out that this division has the second lowest special levy mill rate in the city of Winnipeg. Again, I do not pass judgment on that. I have always looked favourably upon those divisions that have tried to manage within restraint.

But we also allowed a \$280,000 adjustment that increased this division's maximum '93-94 special requirement. This automatically increased of course the '94-95 special requirements.

So we have gone some distance in trying to help where we could. We are mindful that this division

took off 6 days under Bill 22 last year, and I say to members, that is what impressed me. I saw a division that was trying, and that is why I try to find some accommodation to help them out of their difficulty.

Mr. Reid: The minister has provided some information here. There was indeed an adjustment, \$280,000 I believe for two years, to allow for an error, or an oversight I should say, on the part of the school board for a problem that they had encountered and that they had no way out of. So that was a special allowance that was given by the department to allow them to access the necessary funds to pay down that expenditure. That is not my point here. My concern is, and even though the minister says that there were increases, 6.8 percent in '92-93, I do not have the historical facts in front of me for the other school divisions, so I am not going to argue that point here. I will leave that to my colleagues the critics for Education.

My concern is for what has happened within the school division for the last couple of years, where I have seen a decrease in the funding allowable. The minister had made reference to the fact that this particular school division, No. 12, has tried to run very close to the line on their operating costs and that they have not kept any significant amount of funds in the reserve fund to allow them to pay down any emergencies that may come along. Now, I looked and can make reference to the minister's comments before this session started, where he said that he is going to have to look at capping the reserve funds on the various school divisions.

What is the minister's intention with respect to capping these reserve funds? I also have further questions along this line as well.

Mr. Manness: Mr. Acting Deputy Chairperson, I missed the full essence of the question, but we acknowledge this division, because of two actions unrelated to anything it has done, particularly reassessment, Nos. 1 and 2, the effect of Bill 16, has been caught in a situation, given that it is a low-spending division and has not built surpluses, caught in a special set of circumstances. It was to that end that we were prepared to advance

significant amounts of money out of next year's support. I have even gone further than that.

I mean, I do not know ultimately whether there will be unfettered relief for school divisions to go back to their taxpayers in a large fashion or not. It ultimately depends on the government of the day deciding what the status is of revenues and to what extent it does not want to see ratepayers—I say this to the member for Inkster (Mr. Lamoureux)—automatically being the last repository of the wrath of the budget.

* (2050)

If indeed there is, and I say it only in the purely hypothetical sense, because it is too soon to know whether there will be complete freedom, but if there were not I certainly would take that into account with respect to divisions like Transcona-Springfield, because they have to have some opportunity to go back to their ratepayers, given that they are not only a low-cost division but their local mill rate levy is relatively low—[interjection] Yes. That would have to be taken into account. Again, there are two divisions that warrant special consideration. For the most part neither—they fall into both political parties. It is not a political decision at all.

(Mr. Deputy Chairperson in the Chair)

If I had begun to favour divisions there would be no end, because there are other divisions, Mr. Deputy Chairperson, who for the last three years, before this reassessment was done, were having reductions even though they were, for whatever reason, having significant reductions. So I refuse to rush in without some thought process, without some rationale, without some foundation on which to make a decision. I found one. I offered it to this division, and I understand by a vote at the board it was turned down, but of course that is the right of that board to do so.

Mr. Reid: The \$450,000 advance, let us put right on the record right here, right now, that the minister offered to the Transcona-Springfield School Division, was an offer that was made by telephone and was not put in writing to the trustees to give them the opportunity to have something substantial in their hands that they could look at as

a serious offer from the minister. It is my understanding that it was only just two weeks ago that this minister forwarded a letter to the trustees making that offer to them, and the trustees have responded to this minister, to the department, rejecting that offer, because what it does essentially is borrow from the future.

Now, correct me if I am wrong, Mr. Minister, but does this policy, this thought that you have of advancing \$450,000, not go against the grain of the philosophy that your party has not to borrow from the future? Is this not something that is contrary to what you believe in? Why are you even proposing that the school division borrow from their own future grant monies that may be coming to them, and giving them the opportunity to take that money and spend it today and then have less money potentially in the future to work with? How is that furthering their ends and allowing them to meet the needs of the education for the students in the community of Transcona and Springfield?

Mr. Manness: Well, Mr. Deputy Chairperson, the member brings up two points. First, he calls into question the credibility of my assistant deputy minister to represent the ministry. When I delegate the responsibility to make an offer on my behalf, I do not think that is just an ordinary offer. When the call in Estimates comes from the minister's office —[interjection] I see. The member rubs the paper. He says you put it on paper.

I was engaged in exploratory talks through my assistant deputy minister with a certain number of divisions. I did not want the exploration of how we might help committed to paper. I deliberately did that because it was not government policy. I was trying to find a way to accommodate this division, to help them out of their problem, and we will talk about borrowing from the future in a second.

To do so, to put the offer on paper would have meant that I would have to take that process through the bureaucratic process, because when I make a commitment or an offer on paper, I do so only after receiving the blessing of my colleagues that are on Treasury Board, and indeed my cabinet colleagues. That is the way government works.

I tried to short-circuit that process, I confess to my member now, by exploring avenues and opportunities, and as soon as one of the divisions said, yes, they would be interested in doing it, I then went through the process of seeking support from my colleagues, No. 1, and No. 2, committing in a hard fashion to paper.

The member seems to suggest that when a call comes from the ministry it has no value. I have talked to ministers of different persuasions. I talk on the phone with Lloyd Axworthy. When I was in opposition, I talked to Sam Uskiw on the phone, and, Mr. Deputy Chairperson, when they said something, sitting at the desk of the ministry, I took it as a very, very meaningful statement, one almost as good as having been written on paper. I am disappointed that the division, in this case Transcona-Springfield School Division, who have been in years of contact with my senior staff, would not have seen fit to accept the validity and the sincerity of the offer.

Mr. Deputy Chairperson, the member talks about borrowing from the future. I had no other choice, given the restraints that were placed upon it, but asking the division to receive some advance funding coming from next year. I also indicated that they were special circumstances, and that within the leeway or the opportunity and the freedom and the flexibility that sometimes expands from budget year to budget year, they would not be forgotten.

If they did not trust me to follow through with that, well, then, I say that is too bad, but to the extent that there was an element of trust there, that they could see I was not rushing to the paper to boast how it was that I was trying to help, that I was not wanting to engage in conflict with their member who is trying to make it a political issue, that I was trying to do the honest brokering. They would have seen, certainly, if they had looked into the matter at all, a willingness to try and keep open the commitment to hopefully trying to smooth it over just not one year. But, no, the member for Transcona (Mr. Reid) rushed in. He was going to be the saviour. He was going to try and embarrass me in front of the public, and that is rather difficult

to do. He was going to try and do it, though, nevertheless, and he was going to win the day.

Mr. Deputy Chairperson, I think he did a great dissatisfaction to the school division. I actually think he hurt the whole situation because no doubt there could have been greater dialogue leading to maybe even greater certainty regarding a year hence.

Mr. Reid: I do not know if I should take the minister's comments, his last comments there, as a threat to the school division or not, but I will let them decide that for themselves because he seems to indicate that there are future repercussions to be felt by the school division for my raising the issue in the House.

I fail to understand how it is, when I raise an issue in the House or I raise an issue in the community or I talk to the minister personally, when I am representing the interests of my community, that I am trying to do this for political reasons. I raise this because the public education system in my community is being severely impacted by the policy decisions of your government. It is my job as the MLA for the community to raise those issues in the House, and that is what I am doing. If I do not do that, I am failing my responsibility. I raised those issues. I have done my job. I have asked the questions that they want me to ask.

The information that they had released regarding the \$450,000 advance on next year's grant monies was information that the school trustees had released at a public meeting in my community when it came to announcing their budget decisions relating to the funding from the province and the monies that they were able to generate through the assessment for the property values of the community. That was their announcement, not mine. I took that information and brought it back to the House and asked the minister why he was making those decisions, borrowing from the future monies that would be payable by way of grant to that particular school division. That was my job to do that.

* (2100)

I want to know what benefit is there in borrowing from the future, and would those monies be made up and the next year's grant money to make sure that the school division then would not suffer another \$450,000 loss of revenue for programs and education in the community on top of the program cutbacks that had already been sustained by the public education in the Transcona-Springfield School Division.

Mr. Manness: Mr. Deputy Chairperson, I certainly lodge no threat nor do I call into question the member's method of operation. I honestly do not. The member is a representative of the people and the method he uses is his method, and I do not call that into question. I never have.

But I say to the member, I do not remember when he wrote me a letter seeking greater information with respect to this, and I only say to him and to the extent that I personally dislike ad hockery—ad hockery, that means doing something for one and not doing it for the others who have also legitimate claims, outside of the bounds of policy, outside the bounds of consistency.

When I was trying to work toward finding a solution—that once the member has decided—as he indicates, he will do it his way and that is his right—once he has heightened the focus on one school division under the 50-some that exist in the province, he should be mindful that everybody tunes in and everybody has special sets of circumstances that would dictate that they should have, by their arguments, more funding.

Mr. Deputy Chairperson, I handed out a list yesterday. How many school divisions were hit by reassessment—16 or 17. Every one, every one of those school divisions sensed they had special sets of circumstances if for no other reason than the fact that they were hit by reassessment, and they would request, and again, the number is 19 as the member suggested.

All I tried to do was look at those divisions that in my view, at least, had the most difficult problem, and I tried to find a solution, bearing in mind that if I did find one, everybody else, the next on the list, would also want the same solution,

which there was no capacity to fund, Mr. Deputy Chairperson.

So I looked around at the options. I found one, and only one, that I could live with, and that was advancing. Yet, as I indicated to other divisions, you know a year from now we still may have to do something extra. We may have to take into account, again, the reality and the impact on these divisions.

What did they have to gain? Well, Mr. Deputy Chairperson, they had some time to gain, No. 1, and No. 2, maybe they did not have to make the pressure of these very difficult decisions all within the context of one budget year. That is what I was trying to accommodate, and I make no apology for it. I thought it was an honest and sincere attempt to try to help.

Mr. Reid: Well, I believe the minister is correct. I have always had great respect for his abilities as a legislator and a debater in the House, but it does not mean that I cannot be critical of some of the decisions that he has made and some of the comments that he has made in reference to the departments for which he is responsible.

The minister says that the school division was going to buy time. There is no doubt that they would buy time by taking the \$450,000 advance, but I can tell the minister, in my discussions with the trustees, that they were very worried and are still very worried about what the future holds for them as a school division. They are so close to the line right now. I think, if I am correct, they have a \$520,000 reserve fund to work with and on top of that, they have just informed me they have additional expenses that have just come forward to them, over \$100,000 for two items.

Now this division is running very close to the line. The minister has indicated at the beginning of his comments that they have tried to hold the line on tax increases in the past for the property owners in the communities, and we give them credit for that, but they seem to have been penalized because of their actions to run close to the wire. They have had cutbacks in their funding, and if you take a look at the effects of the reassessment on the school divisions, the Transcona-Springfield

School Division lost \$374,000. I mean, they cannot continue to sustain losses and have no reserve fund to work with, like the minister has indicated that other school divisions do. There has to be some program or some policy in place that will allow them to continue the same programming opportunities for the students in those schools that is on a comparable level with other divisions in the province.

That is all we are asking for is fairness. We are not asking you to take out a whole bunch of new money and throw it at the problem. All we want is fairness in the funding opportunities for the schools of this division in comparison to other divisions. That is the only thing that they are asking for, and that is the only thing that I am asking for on their behalf. That is my job to do that.

I am told that as of just recently, they have had to remove fuel tanks. They have gone to changes in the fueling for their school buses. They have had fuel tanks that they have to remove, and there has been soil contamination. So it is an environmental concern and an environmental cost, \$60,000 for one removal and cleanup, and it is my understanding it is going to be substantially more for the second site. So if you take that, say \$150,000, out of the reserve fund that is there, it does not leave them with very much left. If they blow a boiler in one of the schools, coming up in the fall, now what do they do for funds necessary to keep that school running? Is there a special funding that is in place that the department has that monies can be given for emergencies if there is no reserve fund available within the division?

Mr. Manness: Mr. Deputy Chairperson, if there are no reserves in place and an emergency arises, it is no different than many homeowners in the city. When an emergency arises, government is in place to try to do the best it can to relieve that emergency, but let me point out our records show that as of June 30, 1993, Transcona-Springfield School Division had a surplus of \$1.5 million.

The question is, well, is it allocated or unallocated? When we asked the questions as to where the allocations are, and I am not saying that is the case here, but quite often the allocations are

fairly soft. I am not making that claim with respect to Transcona-Springfield. But we believe, before the decision was made, that still there was going to be a sizable surplus at the end of this present fiscal year before the hard decisions that they made as a division take place or take effect leading into the next school year. I do not know really with certainty where the final surplus will be this year. I suppose we will know that come fall.

When the member talks about difference or equity in programming, my home division was one that had a very low mill rate. After conscious decisions were made by the local trustees that in spite of all of the shortcoming in funding—and they criticized me, too; they wanted more—and all of the other particular circumstances that exist within my home division, still when you looked at the level of local mill rate vis-à-vis many of the urban divisions, it was much lower. That was a conscious decision made by that board.

When parents did say, well, look at St. James or look at Winnipeg South or Fort Garry, look at these programs they have and the additional options that were in place, Mr. Deputy Chairperson, the local ratepayers paid for that because I can know of many situations where the variance in local mill rate is between 12 and 13 mills and 18, 19 mills. In many cases, that reflects the local autonomy, the local authority of school divisions to raise money locally, tax locally at a higher rate in support of additional programming.

That is why in some cases there is a difference in programming, but that is because of conscious decisions made by one division vis-à-vis another. I only point it out, and I still think that Transcona-Springfield is one of the finer school divisions. It certainly has not only managed well, but I think it has a high academic standard and, I know, will come through this process with that intact and will continue to deliver quality education.

Mr. Reid: Well, the minister made reference to a surplus, and I guess it is from my understanding that he does not have up-to-date records of the surpluses that are available on the various school divisions. When previously asked, he would not

supply that information. I can tell the minister that the projected, because we have not reached the point of the end of June of this year yet—but the projected surplus for that school division is going to be approximately \$520,000. It does not leave them a lot of room to maneuver. It is not the \$1.5 million. That is the unallocated funding that will be available.

The school division is trying hard, I believe, to continue with quality programming, but they are having a hard time doing that with reductions in funding that is coming to them from the province; in addition to that, their hands have been tied because of the 2 percent cap that the minister has placed.

Now, the minister made reference to other divisions that have a higher mill rate. School divisions now, based on this minister's legislation, are not in a position to do that; their hands are tied. So they have no way to achieve any funding that is necessary to continue programs, and all you have to do is look at the sheet that the school division has put out where they have had their special requirement based on the 2 percent, another \$218,000. That does not go very far on a \$42 million budget for the school division. I can tell the minister that.

* (2110)

They have had to cut back again teaching positions this year, 10 teaching positions, and a child guidance clinician, paraprofessionals. They have cut back custodial positions, the maintenance positions for the people who repair the buildings and the structures. I mean, how does the school division continue to operate, provide quality education programs in a sound learning facility when we keep cutting back the people that perform these jobs? Where do we draw the line on this? Is the minister going to say, well, they have to make these decisions, they are a separate and autonomous body, and they are empowered to make that? If they keep cutting back the funding to them and do not give them any option or room to maneuver, if you box them in a corner, they have nowhere to go. When they have asked the minister for help, the only solution that came forward was

the \$450,000. They were not willing to borrow from their future, not knowing or having any certainty about where they are going to get their money in the future or if they are going to be reduced 5 percent next year, because they do not know. They have no assurances.

The minister has even said in the House, in response to my questions, that he can anticipate further cutbacks next year. So now this school division is very worried. On top of the 3.6 percent this year, I think it was 3 percent they lost last year, how much are they going to lose next year, and where are they going to cut next year? Are we going to be into the basic programs?

The teachers in the school division have already indicated that they are not going to be willing to provide any extracurricular activities. Now the minister, or his government, may think that this is not important to education, but if you look at the quality of life for the students in our schools, extracurricular activities are part of the learning process. It is part of the quality of life of school. I am sure the minister can relate to the days when he was in school. I know I can. That was something that was fundamental to the education program, to the learning process.

Maybe the minister can comment about the Transcona-Springfield School Division teachers withdrawing extracurricular services that they were providing, and are going to continue to provide up until the end of June of this year but potentially may not provide those services in the fall.

Mr. Manness: My comments are on the record with respect to teachers withdrawing extracurricular services or, indeed, their volunteer time. Mr. Deputy Chairperson, it is very much on the record with respect to Bill 22. I am troubled by it. I think it is bordering on being somewhat shameful, to be honest with you. I say that because, of course, society would not do very well today if each and every one of us did not contribute our time in a volunteer sense, and there are countless hundreds and thousands of Manitobans who give of their time for the greater service of their community, however defined.

When teachers are interviewed they are almost always asked to what degree they are prepared to make additional commitment beyond the classroom time, and many are hired on that basis. Many are hired on the basis they are prepared to give of their time to the greater good of the school community and ultimately of the individual, and for teachers to decide that they are going to get even by withdrawing those services I say is very regrettable, most unfortunate. Indeed, it calls into question with me their commitment to the greater good of the community. Manitoba would not exist today in the fashion it did if there were not people who gave of their time freely for public service, and by that I am meaning volunteer service. For the teachers to say, well, we are not happy, we are going to deny it, well, then, they are free to do that. It is a free society, but I say it is most regrettable.

If it is an issue of—Mr. Deputy Chairperson, I challenged the teachers through their president back a year ago when we looked at Bill 22. I challenged them to voluntarily agree to reduce their salaries, because indeed 80,000 other public sector servants had done that, not voluntarily, but the impact of Bill 22, of course, had caused them to take reductions. Teachers told me no way they were going to do that. So the government of the day did not know where else to turn, because the member can talk about certainty of fundings, school divisions want to know, governments offloading. The reality is the provincial government does not have any more money. It has less money. The Minister of Finance (Mr. Stefanson), again indicated in the House the shortfall of transfers coming from Ottawa. There is no use screaming about it up and down. It is a fact of life. We live with it.

I know the Transcona School Division will also make the choices that they have made. They are hard, but they will make the decisions in the best manner to try and maintain the quality that exists in that school division, and next year I am hoping that the economic situation is changed throughout the country so that there will be some additional revenue that we can direct to school divisions.

Mr. Reid: Go back a few minutes ago to something that the minister had said, too, about

having his word taken as a sign that he would stand by his commitment to advance funding. I think back to the commitment that the previous Minister of Education, his colleague, had made when she was Minister of Education and I had raised the issue last session with her in the House, that she would look at the circumstances surrounding the inability of the school division to generate enough revenue to sustain the programs. There was nothing that came out of any of the activities of the minister. From my understanding, no changes happened to recognize the special circumstances dealing with the inability of the school division to generate funding by way of the special levy, or by way of any changes in the grants or the funding formula of the province to offer any monies to this particular school division and other school divisions of the province for that matter that were suffering.

So I can understand their reluctance to take the \$450,000, and I can also understand why there would be some reluctance on their part to accept the word of the minister because they had seen the word of the minister's colleague when she was the Minister of Education saying that she was going to look at the special circumstances and nothing ever occurred. So there is some concern on their part that there has been no action taken, and this is why, I believe, that there appears to be some reluctance on their part to accept the word of someone saying that they are going to look at the circumstances and make some changes because no changes have occurred and in fact they are further in the hole now than they were before.

Mr. Manness: Mr. Deputy Chairperson, the member is not speaking the truth. The former minister, my colleague, did take that into account, and I can remember being on Treasury Board when the former minister came forward, and through that special dispensation was allowed to provide for \$280,000 additional levy— [interjection] Well, that was taking into account the special circumstances. That was allowing that division to increase its revenue.

Secondly, we took into account the sparsity argument with respect to those schools outside of the city of Winnipeg and we allowed a lower

divisor, which of course again turned over more money to that division. That was done by my predecessor, the member for Fort Garry, so the member is patently wrong. That information was taken into account, and it is important that the record reflect that.

Mr. Reid: Well, that is not the information I am getting from the school division trustees, so the minister can have his comments and I will have my comments, but unfortunately for the minister I have to believe what my trustees are telling me, because they are the ones dealing with the funding that is available to them.

Mr. Manness: Do you understand the formula?

Mr. Reid: Pardon me?

Mr. Manness: Do you understand the formula well?

Mr. Reid: I believe they do. I mean, Mr. Marshall has been a long-time trustee, and we have enough staff on the school administration to understand the formula that is in place and they also understand the unfairness of the formula. I know the trustees have asked this minister and the previous minister to make some changes to reflect the inequities within the funding formula as it currently exists.

I believe it was Mr. Marshall, the trustee, the longest serving trustee currently on the board, has made reference many times to the fact that the funding formula is patently unfair, and does not recognize the inequities between the different divisions and does not take them into consideration. This is why they came forward with a proposal to the minister, and I believe that the minister said, no, that the proposal would not work. It was one of many options, but he did not think it would work and he would not take it into consideration.

* (2120)

Mr. Manness: Mr. Deputy Chairperson, we have not closed the door on that proposal. We are studying it, but let me tell you we have been there before. The essence of the Marshall proposal or the Transcona proposal is one that the government has been at before, and it is an expenditure-driven formula. It says that if you spend lots you get lots.

And the very essence of the change model was no, we will not provide support on the basis of how much you spend. We will provide support on the basis of how many students are in the classroom, on the classroom unit. So if you decide to spend \$2,000 per student more than the provincial average, good for you, but you are going to ask your local citizens to pay for it. We will pay to a basic classroom unit, basic classroom basis, not on the basis of how much you spend. The essence of the proposal put forward by Transcona-Springfield has asked the provincial government to again support at the level at the division's expense. Now there are other elements of the proposal that are worth studying and we are trying to analyze them at this time.

Mr. Reid: What parts of the proposal is the minister referencing when he says he is studying the aspects of that portion of the overall proposal?

Mr. Manness: Mr. Deputy Chairperson, I think Transcona-Springfield indicated there should be no categorical grants. There should be one general block grant. Many other divisions, including I am sure Winnipeg School Division, will be totally opposed to that because there would be incredible shifts in mill rate between school divisions. So we are studying the impact of that, and also, I would point to again the greater reliance on equalization and the full impact of what that would mean.

Mr. Reid: There was a concern that the trustees had raised and I believe I raised it with the previous Minister of Education relating to the transportation costs. There has been some concern within the school division that since this school division is comprised of, I think, 400 square miles, there is an urban transportation component that is mandated by the Education department. There is also the rural education component that is obviously necessary and mandatory, but it is my understanding that the school division is not being compensated to reflect the number of students that we have in the rural area. I believe it is approximately 2,400 students in the rural area out of a total enrollment of about 8,300 or 8,200.

Maybe the minister can comment on the formula that is being used and whether or not there has

been any adjustment to compensate the school division for the inequities that they perceive to exist in the monies that are being granted to offset the transportation costs and to reflect the rural-urban component.

Mr. Manness: Mr. Deputy Chairperson, we will check the specifics of the question, but they certainly are eligible. They are eligible for the rural funding grant. That is very much prescribed. It is easily understood, and the rural students receive in a fashion no different than indeed if they were anywhere else in rural Manitoba, and that is, \$350 per transported pupil for pupils enrolled in Grades K to 12 who do not reside in a city, town or village. That is the policy that applies throughout all of rural Manitoba. So Transcona-Springfield has, by our count, 1,960 students in the rural category who are transported under this formula, so 1,960 times \$350 per transported pupil.

Mr. Reid: I guess then what I will have to do is I will go back to the trustees and get some more clarification on this matter and find out if they still have concerns on that, and then if they do, what I will do is I will correspond with the minister on that aspect of it since the minister indicates that he would prefer to have some correspondence dealing with some of the problems directly. I have no difficulty with that as long as the minister is willing to provide a fair and reasonable time period for a return because there have been other departments, I am not saying his department, but other departments that have been several months delay in some responses.

Mr. Manness: I gave your colleague information the next day.

Mr. Reid: I am sure it is much appreciated that she got the information the next day.

An Honourable Member: Oh, I do not know. I have not heard any great thanks.

An Honourable Member: His word is his bond.

Mr. Reid: I believe I will hold him to that. That his word is his bond and that he would attempt to provide the information the next day, since he has indicated that it can be done.

To go back to the emergency funds, and I think I should clarify this or get a clarification on this, if the school division runs through the unallocated surplus monies that they have and they run out and they run into an emergency, are we talking about funding available from within next year's grant monies will be withdrawn and given to them in advance, or are we talking about extra funding that would be provided to the school division?

Mr. Manness: Mr. Deputy Chairperson, no extra funding at this point, and maybe possibly at any point with respect to the general budgetary level, the \$40-some million.

What I said was, if there is an emergency and we can see, for instance, that the surplus funds that we sense were in existence have not been moved aside so that they could not be used in a manner that was trying to escape their being directed towards the emergency, then obviously we look at this on a case-by-case basis.

I mean, if the school has to be operated, it has got to be operated, and if the emergency involves the physical plant somehow, obviously the Public Schools Finance Board has some discretionary funds at their disposal, or at least can shift funds around to make sure a school is operational. A boiler is a case in point.

Mr. Reid: I thank the minister for that. I am not familiar with the policy relating to school bus purchases: who owns the buses, how they are allocated, what the responsibility of the divisions are with respect to the operation maintenance, et cetera. It is my understanding that the division has a number of older buses that are in use and has no newer vintage spare buses in event of a breakdown, particularly in the colder months when the children would be at greater risk.

Can the minister tell me what the policy is with respect to the purchase, the operations and any policy relating to the school bus operation?

Mr. Manness: Well, Mr. Deputy Chairperson, I do not know whether the member's intentions are to deal with all of the issues here—I have staff, who are in the room, who could answer more specifically or provide information to me—or whether the member wants to exhaust all his

questioning. If he wants detailed questioning, I will have to ask Mr. Hanson to come forward, but failing that, I can say that general policy is that the government buys the school buses for the school divisions to operate. That is certainly in the rural context.

The ownership of the buses, of course, is always in dispute. The department believes, and I believe, that they are owned by the government of Manitoba, but certainly for the exclusive use of the divisions.

Mr. Reid: Does the government then have a policy relating to where the buses have to be operated? In the sense that the division for Transcona-Springfield is urban and rural, do you have a special designation that says that when you supply buses you have to have or provide or operate buses in the rural area of the newer vintage versus the older buses in the urban areas, or any other policy designating on how and where these buses are operated, or is that left strictly up to the school division and its transportation department to decide?

* (2130)

Mr. Manness: Mr. Deputy Chairperson, we do not tell divisions how to use their buses. We just provide a level of funding. In the case of Transcona-Springfield, which straddles urban and rural Manitoba, I suppose it is more fortunate. They can do what they want within the boundaries of their school division with these buses that we have provided.

Mr. Reid: I believe those are all the questions I have for now relating to this division. I thank the minister for answering the questions.

Mr. Lamoureux: Mr. Deputy Chairperson, just before you pass the lines, I just had a couple more brief questions. The first is, the decertification of a teacher, can the minister go through the actual process of doing that?

Mr. Manness: This is a complex process. The act gives the minister significant discretionary power to remove a certificate almost at will when there is a reason, but the practice of course has been much more complex than that. At this point, and I will try to remember this from memory, if a charge that is

lodged comes to our understanding, whether it comes from Family Services, whether it comes from the police, indeed it comes from within the school system, that charge should be laid formally by some prosecutor, by the Crown. That information is given to me. I then refer that incident, what I know about it, or any information around it, to the Certificate Review Committee. That committee waits for the courts to dispose of the matter, either to confirm the charge or to dispense the issue.

The Certificate Review Committee then makes a recommendation to me. I then, by registered letter, inform the teacher, if indeed there is substance to the charge, that certain facts have been found, and I ask the teacher to respond to me on their intentions. This is all prescribed by time periods. In some cases, I have trouble even finding, by registered letter, the individuals, and I will send out a second registered letter. But if an individual does not respond to me, then I strike their certificate. I again send a letter to him where I think I can find him, a registered letter again, indicating that their certificate is no longer in place. I guess the final remark is that if indeed they are suspended through this process, they are expected to return their certificate to me.

Mr. Lamoureux: The beginning of the process says that there then have to be charges laid against the teacher in order to decertify?

Mr. Manness: Not necessarily. That has been the practice, but certainly the powers of the act are much beyond that. I mean, the minister can, for other reasons, alter or change or deny or have removed certificates.

Mr. Lamoureux: Mr. Deputy Chairperson, I am wondering if the minister can cite any certificates that have been removed from a teacher other than a Crown laying the charges. Can he cite any of them?

Mr. Manness: Well, up to now, basically, in our memory—and that would cover five or six years—all of the decertifications have been a result of charges laid not only in sexual abuse areas but in fraudulent areas or dealing in drugs up to this point, although, one never knows when tomorrow

there might be some other reason that we begin to inquire.

Mr. Lamoureux: Yes, I can say that it is extremely few and far between when I get allegations of incompetence of a teacher, if you like. I have had discussions, as the minister has had discussions, with in particular the partners that he refers to, and there has always been, you know, some concern or at least some acknowledgement that there are in fact concerns respecting the qualifications or capabilities of some teachers. I want to emphasize that I think it is extremely few and far between these teachers, because I would not want to be taken out of context on this.

My question is: What is the minister doing to acknowledge that is a particular problem, and what is the minister doing to take some sort of action in particular when we talk about the reform package or the blueprint? Is the blueprint taking into account the certification process of teachers?

Mr. Manness: Yes, it will.

Mr. Lamoureux: Okay. Mr. Deputy Chairperson, the other comment, and it came out of the questioning actually from the member for Transcona (Mr. Reid), we got into a debate last night about privileged information and the Minister of Education did take exception to the member for Dauphin (Mr. Plohan) saying, well, why will you not tell us the surplus that is in the different school divisions. I was somewhat surprised to hear the Minister of Education say, well, this is the surplus that is in Transcona. If I were to ask the question or maybe a question at a time, what is the surplus in Winnipeg School Division No. 1? Would the minister tell me what the surplus in Winnipeg School Division No. 1 is?

Mr. Manness: Those were last year's figures that I quoted. I do not know this year's figures, and they were in the Free Press, public information. So there is no inconsistency.

Mr. Lamoureux: Would the minister then be prepared to provide the surpluses of the 50-plus school divisions for members even though it is last year's?

Mr. Manness: Again, the response is the same, for all the divisions, no, I would not. Again, because I

sense properly that that should come from—all of the divisions properly should come from the annual audited financial statements or, again, the member might want to ask the Manitoba Association of School Trustees. They probably have on file all of the audited statements by the school divisions and they may want to—and I think the member knows the precedent very well, and they may want to provide that information.

* (2140)

Mr. Lamoureux: Mr. Deputy Chairperson, whether one knows the precedent of an organization or not, I think that the Minister of Education (Mr. Manness) is very selective and that is the only reason why I am bringing it up at this point in time in terms of the information that he is prepared to release.

Whether it is ACCESS reports, whether it is discussions with respect to the blueprint, the minister, or the financing or the surpluses, that I would like to see some form of consistency coming from the Minister of Education dealing with what sort of information he is making available for us to be able to debate.

He is being very inconsistent when he just tells the member for Transcona (Mr. Reid) that this is the surplus that was in Transcona, but I will not tell you what all the other school divisions. Does that mean that Transcona is not one of the privileged school divisions?—so any information that they give you, any information—and the figure he said was wrong—the Minister of Education.

But, Mr. Deputy Chairperson, what is the Minister of Education saying? That Transcona is not a privileged school division, so any information they give us is not privileged, so I can tell you. He is very, very selective on the information that he has given and I think that this is something which he needs to review.

The minister himself, if he reflects on what it is that he has said with respect to privileged information, I think that he might decide or see that it is in fact inconsistent. To provide some of the information that has been requested not only with respect to this, but other issues, I believe would allow for a better line of questioning. Maybe we

can better understand in terms of why it is the minister made some of the decisions that he has made. We might not necessarily agree with it, but at least we will get a better understanding in terms of why.

With that, I am quite prepared to pass this particular line.

Mr. Deputy Chairperson: (a) Schools Finance (1) Salaries and Employee Benefits \$802,500—pass; (2) Other Expenditures \$399,500—pass.

(b) Schools Administration (1) Salaries and Employee Benefits \$1,050,800—pass; (2) Other Expenditures \$418,300—pass.

(c) Schools Information System (1) Salaries and Employee Benefits \$277,500—pass; (2) Other Expenditures \$716,300—pass.

(d) Schools Grants (1) Operating Grants \$550,245,700—pass; (2) Phase-In Support Grants \$1,463,900—pass; (3) General Support Grants \$18,598,100—pass.

(e) Other Grants \$1,806,200—pass.

(f) Teachers' Retirement Allowances Fund \$47,238,000—pass.

Resolution 16.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$623,016,800 for Education and Training, Support to Schools, for the fiscal year ending the 31st day of March, 1995.

Item 6, Support to Post-Secondary Institutions (a) Universities (1) Universities Grants Commission (a) Salaries and Employee Benefits \$264,700.

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

Ms. Friesen: Mr. Acting Deputy Chairperson, I want to ask about the Universities Grants Commission and the process that it follows and has followed for a number of years in determining allocations to universities.

I wonder if the minister could take us through the steps that the commission goes through over the course of a year, and what I am particularly interested in is the requests from universities, again, commonly over a number of years, for

earlier indication of their funding. I believe also the Roblin commission recommended that efforts be made to deal with university funding at the same time that the public schools get an indication of their funding in January. I wonder if the minister has had time to look at that recommendation and to reflect upon the activities of the UGC in general, to see if there are any possibilities of moving towards that system.

Mr. Manness: Mr. Acting Deputy Chairperson, at this time I would like to introduce Leo LeTourneau. Leo is the executive director of the Universities Grants Commission.

The first question was dealing with process. The UGC budget process consists of a number of phases. First of all, there is a submission of detailed budget proposals by universities to the Universities Grants Commission. Secondly, that is analyzed by UGC staff. Thirdly, formal hearings are conducted by the Universities Grants Commission enabling universities to present and discuss their budgets' priorities and issues. Fourthly, final analysis of budgets and formulation of Universities Grants Commission recommendations.

These recommendations are, of course, forwarded to myself as the minister responsible, and ultimately then an announcement is made by the ministry as to the level of support globally, and then, of course, the Universities Grants Commission goes into a process of making allocation decisions within that global funding. Mr. Acting Deputy Chairperson, that is the process.

The member also asked the question with respect to earlier announcement. This is a difficult decision because there is no doubt in mine today legislatively—as the member knows, the public school system, it is mandated somewhere that an announcement be made by the middle of January, and I know the university community would like the same type of treatment. The reality is, having been through a significant number of budgets, that many of the areas of discretionary spending other than the support to the public schools, have to, by

necessity, be made in the same context at the same time.

What the member is asking is for more than early information, or certainly the universities are asking for more than that. They are basically asking that the provincial budget be completed by the middle of January, and that just is not possible. We do not receive final notice from Ottawa as to the level of transfers until well into February, and only at that time can the government make final budgetary decisions, and usually that does not happen until the end of February. We tried this year to provide earlier indication—I think we did—as to the level of funding, and we will try to even move it forward, if possible, next year.

* (2150)

Ms. Friesen: Still on funding, did the UGC conduct any study of the impact of the clawback last year on university funding? Since this is the basic body that deals between the government and the universities on funding and allocation of funding, what was the UGC's responsibility in that area?

Mr. Manness: Mr. Acting Deputy Chairperson, Mr. LeTourneau was not in position then, as he was actively involved in the Roblin review, but from memory, I remember it was the \$11 million, a number that gained some notoriety. We requested that as regards that money, in the sense that it had not flowed, maybe was even unallocated or certainly was in a discretionary sense and did not need to flow, a portion of it was withheld. I dare say that probably an analysis was not done, but, more importantly, it may very well have been surplus funding to the announcements that had been made previously. If there is greater detail required, I will try to provide it.

Ms. Friesen: I am interested in two aspects of this. One is the process. The government allocates global funding for universities to the UGC, which then decides, on the basis of its information on the priorities of each university, the allocation of that funding. Yet midway through the year—I believe it was in February—the government, not the UGC, decided that part of that money was not going to flow. Now, how was it decided, and how was the

allocation of that minus amount allocated to each of these institutions? On what basis did the UGC do it, or was it done directly by the government? In that case, where is, to use the minister's term, the purity of the system? If on the one hand the government allocates to UGC, then surely the UGC should be involved in the allocation of the minus amounts, what the minister calls surplus, but which I believe the universities had counted on in their budget, had been assured of when the UGC had made the initial allocations.

Mr. Manness: Mr. Acting Deputy Chairperson, the member puts the question very clearly. My memory is starting to come back that throughout the whole department we were—when I was the Minister of Finance, as a matter of fact, we provided a target to the whole Department of Education of some \$17 million, of which UGC's portion was \$2 million. It is my understanding that UGC does not always allocate the total global funding. At times, you do keep some back in reserve for, again, emergencies. It is cash-flowed on a monthly basis, and it does not always exhaust itself at any point in time. That is indeed, then, the money that we withheld. I think, Mr. Thompson reminds me, it was probably more in the realm of \$2 million, the impact on the flow to universities, and that can be handled quite easily within the cash-flow requirements of a \$220 million global budget.

Ms. Friesen: I just want to confirm that. The minister believes that it was a \$2 million reduction across the system?

Mr. Manness: Mr. Acting Deputy Chairperson, we can try to confirm that yet as soon as we can, but from memory that was the impact to this branch or division of Education. It seems to me globally across all of Education it was somewhere around \$17 million.

Ms. Friesen: Then I come back to the second question, of the process. The UGC initially allocates the money to universities. Surely, it should have been the UGC that allocated the reduction of those amounts. What part did the UGC play in the allocation of those reductions?

Mr. Manness: Mr. Acting Deputy Chairperson, the UGC would have been asked to retain and not cash-flow that level, and I imagine it would have been an amount consistent on a weighted basis across all three universities. I do not think there would have been one university that picked up more than its prorated share.

Ms. Friesen: That is what I am trying to get at. Did the UGC meet on this? Did the UGC decide that the universities would take this reduction on a pro-rata basis, or did they decide as the UGC is mandated to do on the basis of the needs presented by each of the universities?

Mr. Manness: Mr. Acting Deputy Chairperson, I cannot answer that question. What we are talking about is in November, we are talking November '92. We are talking not November '93 now; we are talking November '92. We are going back 18 months ago, and I cannot remember.

The staff, if Mr. LeTourneau had been there at the time, he could remember, but he was involved in the Roblin commission, and Mr. Goluch at that time was responsible for those decisions, and he is not with us tonight.

Ms. Friesen: Will the minister undertake to inquire of the appropriate staff what happened in that case and to provide a written response?

Mr. Manness: Yes, gladly.

Ms. Friesen: Mr. Acting Deputy Chairperson, does the minister anticipate that there will be any clawbacks in this fiscal year or is the global amount that we are looking at the actual amount that the universities will receive?

Mr. Manness: We have not quite closed off '93-94, but that is not my decision. That is a decision of the Minister of Finance (Mr. Stefanson). The Minister of Finance ultimately decides, given the unallocated expenditures or surpluses that may exist in accounts through government. He ultimately decides whether or not that should be left to carry over into the new year or, indeed, whether it will be committed to the lapse factor.

The member is fully aware that on a \$5.5 billion budget a \$70 million lapse factor is built in, or at

least it was in the years when I was the minister. Mr. Acting Deputy Chairperson, that is to take into account that not every dollar in government is spent, and if the Minister of Finance dictates that this unallocated money, if there is a small portion there that should not be spent, then he will call upon it to come back.

Ms. Friesen: The minister keeps assuming that these are unallocated surpluses, but from the perspective of the universities, these were monies that had been assigned to them, which had been included in their budget, which they had anticipated on a monthly basis, in much the same way that the minister also anticipates EPF funding from Ottawa. When that is reduced, that is regarded as a reduction. That is exactly how it was presented to the universities.

Money, which they had been allocated at the beginning of the fiscal year, which, yes, flows on a monthly basis, but then which did not flow so that budgets were caught short, and people who had tried to plan on an annual basis, given an assurance from the government of the kind of money that would be forthcoming, now found that they did not have it. So what I am asking for is an assurance from the government that this time the money that we pass in the budgets to universities will be spent as we are passing it. Are they going to be spent or will there be a clawback again, and at which point is the minister anticipating that kind of decision might be made?

Mr. Manness: Mr. Acting Deputy Chairperson, when the members passed this vote, what they were saying is up to that amount is to be spent. They are not saying that every dollar is to be spent because nowhere in government can you spend every dollar.

In the years when indeed every dollar might not flow because prudently it has not been totally allocated, what is being taken into account is that there are emergencies that too arise, unexpected circumstances that arise, that cause presidents at universities to approach government for emergency funding. If there is to be a source for that, that is housed within the UGC.

I do not hear the member opposite questioning government when, indeed, there was a call for additional funds for some reason partway through, and the UGC has to come back to the government for supplementary funding beyond the vote, which the members will provide here tonight.

* (2200)

It works both ways. Prudent management dictates that there should not be a complete allocation of the total amount, that some fraction maybe of a percent should be held back for greater discretionary powers during times of emergency.

Ms. Friesen: So then as a rule of thumb the universities should not anticipate that they will receive the entire amount which is listed in the Estimates tonight. Is that the case? Is that the message they should learn from this?

Mr. Manness: Well, Mr. Acting Deputy Chairperson, we are arguing by degree. Is the member saying 100 percent allocated always? No. But I would make the argument that 99 percent and a fraction is allocated.

Ms. Friesen: Is that the general principle then that the universities should take from this evening's discussion, that 99 percent of what is listed here in the Estimates will be allocated to universities, and that the other percentage is discretionary?

Mr. Manness: Yes, that is no different than any line of government when we tell a department that so much is allocated to you. That does not mean that you are going to be allowed to spend that much money. When we provide funding to the Health Services Commission by way of grant, that does not mean that every dollar is spent. That means that as much as possible and in almost all cases 99 percent is spent.

But, when supplementary funding is required in support of legal aid and all of the other issues, then the government of the day has to find that money. So there is nothing new, Mr. Acting Deputy Chairperson. This is not a new response.

Ms. Friesen: It is new to me, and I think it will be new to people who make up university budgets, that a prudent university budget manager now would anticipate that they are only going to receive

99 percent of what they have been promised, and that they should anticipate the possibility—I do not know what kind of a level of possibility the minister would like to apply to this—but they should understand that at least 1 percent of their budget is not necessarily going to flow to them.

Mr. Manness: The member is saying at least 1 percent. I never said that. There is no formula. But, more importantly than anything, the universities deal with the Universities Grants Commission, and once the Universities Grants Commission make an allocation they make a commitment to level, to fund a global amount to each university, that is done, that is honoured.

That is the basis on which universities, Mr. Acting Deputy Chairperson, do their funding, not by way of the global number that I represent, that I bring forward by way of Estimates, but by the commitment made by letter from the Universities Grants Commission, which specifies a specific sum. That is the basis on which universities plan.

Ms. Friesen: That is exactly my point. That is the basis on which they have planned in the past, but when this clawback came towards the end of their budget year, it made it very difficult for individual faculties, schools and universities to, first of all, make up that amount, and, second of all, to understand or at least to accept that there was any—what is the word I am looking for—but so they could count on any number that the UGC gave them in the future.

My question has been twofold. Is the minister committed to, in fact, allowing all the money to flow through the UGC this year? Does the UGC have a role in determining how those clawbacks have been made? Did it have a role in that? And, the number 99 percent was the minister's, not mine. I have been trying to look for information on this, and that was the formula he gave me. Now, perhaps it was a—

Mr. Manness: I did not give a formula.

Ms. Friesen: The minister says he did not give a formula. Those were the numbers he put on the table.

Mr. Manness: That was no formula.

Ms. Friesen: Well, if he does not call it a formula, I do not know what he wants to call it; a relationship between two sets of numbers, a relationship between two sets of budgets that the universities were given. I am asking for an assurance that, first of all, no clawbacks will be there this year.

Second of all, that if there are to be clawbacks again, if the minister is going to suggest that is likely to happen with 1 percent of the budget, 2 percent of the budget, .05 percent of the budget, whatever number he wants to use, that the UGC, and not the minister will be making that reduction. I am looking for an indication of what the process has been and will be.

Mr. Manness: Mr. Acting Deputy Chairperson, the process will not change from anything I have just dictated. It is as it is. The member says this year. I do not even know what year she is talking about. Is she talking about '93-94 or '94-95? In terms of '93-94, there was no reduction. There was no reduction. Is she talking in terms of '94-95? We are just beginning that year.

The Minister of Finance (Mr. Stefanson) ultimately in the fall will determine whether or not there might be a reduction, and at that time, if the pressures are so great, the commitment of cash flow, under normal circumstances may have to be changed. There is no formula to it, absolutely none.

Ms. Friesen: It is my understanding that in the last fiscal year, there was a clawback to Universities. It is difficult with the minister's staff sitting here that the minister is not able to verify which year it was. My understanding is it was this past fiscal year. I can understand that one particular individual was not involved with the UGC at that point, and I look forward to the minister's confirmation of which year in fact that clawback took place, but since we cannot provide the specific detail tonight, perhaps the minister will undertake to provide it in the future.

Mr. Manness: The members should try to ascertain the veracity of her facts. I said that I was the Minister of Finance, and if we are talking about the same year, we are talking about the fall of '92,

which was part of the '92-93 fiscal year. That is long gone.

Mr. Acting Deputy Chairperson, that became a public issue in November 1992. So for '93-94, the books have just closed. The allocation, as promised to the Universities, flowed. There was no impact on the flow in terms of '93-94, so no clawback, to use the member's terms, in '93-94.

Now we are into '94-95, the new year, the ones we are discussing the Estimates for. Is the member saying, are you going to promise there will not be a clawback? That will be a decision of the Minister of Finance (Mr. Stefanson), and if that were to occur, that would happen much later in the fiscal year.

Ms. Friesen: Mr. Acting Deputy Chairperson, I do indeed regret that I do not have the year in front of me, but I do remind the minister that he has four, five, six, seven, eight members of his staff in this room and that he is unable to tell us which year.

Mr. Manness: I said it was November '92. How clearer can I make it? I ordered the clawback, to use the member's term. I was the Minister of Finance. I am responsible for it. I know when it happened—November '92.

Ms. Friesen: To conclude the minister's statement then, he ordered the clawback, and it was not allocated by the Universities Grants Commission.

Mr. Manness: It was not ordered? Well, we gave Education a target, \$17 million; from memory, \$17 million. This is highly improper. We are talking about '92-93. Again, the member doubts my word.

The reason I remember it so well, I can remember being in conference and being at a political convention and having many reporters coming up. That is why I remember it so well—November '92.

Mr. Acting Deputy Chairperson, at that time, the target given Education was \$17 million, and internally, as administration looked at all of these areas that we were looking at here, have been reviewing over the last three weeks, an allocation, subjective, was presented, provided, to Universities Grants that they should contribute to the cause \$2 million, and that was clawed back,

using the member's terms, from the Universities. They were not provided that funding in keeping with the commitment made to them the spring before.

Indeed, if the circumstances were such that the shortfall in revenue from Ottawa again was the \$230 million that the member's Leader continues to crow about when he talks about an \$870 million deficit, it may very well be required by the Minister of Finance (Mr. Stefanson) that once again he call upon departments in mid-term not to expend the maximum level that was supported at the table.

I remind the member when passage was given to support a level of expenditure, that is the maximum. There is nothing that decrees that every one of those dollars has to be spent. That is foolish public policy. It is a maximum that is granted by this Legislature by the process that we are going through tonight.

Ms. Friesen: I will follow through with my question. Did the Universities Grants Commission meet on that, and was it the Universities Grants Commission which determined how that was applied to each university?

Mr. Manness: Mr. Acting Deputy Chairperson, we will try and review the record of that. Certainly nobody from the Universities Grants Commission is in attendance tonight that can answer that question.

* (2210)

Ms. Friesen: I look forward to the answer on that one.

Mr. Acting Deputy Chairperson, I want to look at the remuneration of commission members under the Universities Grants Commission. I am looking particularly on Schedule 2, page 83 of the Universities Grants Commission report for '92-93 and dealing with the Roblin commission.

This is the one that was just tabled in the House. There are two lines there dealing with salaries. One is the remuneration of commission members, and I wonder if the minister has a breakdown of that.

Mr. Manness: Mr. Acting Deputy Chairperson, we do have that. The commission, the per diems

paid over a period of 18 months totalled \$30,249, and then there were expenditures associated with hotel, mileage, parking and meetings on top of that, bringing the grand total in support of all of the activities of the commissioners to \$40,364.

Ms. Friesen: I understand that some commissioners did not accept a daily rate, so how many commissioners does this apply to?

Mr. Manness: Mr. Acting Deputy Chairperson, the per diems applied to two commissioners, but all of the other roughly \$10,000 expenditures, of course, is in support of all of the commissioners' activities.

Ms. Friesen: Did all of the commissioners sit at all of the meetings? For example, is it reasonable to assume that this \$30,000 should be divided equally between two or were commissioners involved in a different rate of remuneration?—not remuneration.

Mr. Manness: The executive director of the commission indicates to me, Mr. Acting Deputy Chairperson, generally all the commissioners were in attendance. There were occasions towards the end of a hearing period where one commissioner, who would be a different person, at times would have to exit the meeting.

Ms. Friesen: So that division into two for two people would be a very rough approximation? It would not necessarily be a precise one?

Mr. Manness: No, it would not, Mr. Acting Deputy Chairperson. I would not be able to reflect on any division with any certainty at this point.

Ms. Friesen: The second line on that same page 83 that I wanted to ask about was the Salaries, Contracts and Employee Benefits, which are listed at \$105,662. Does the minister have a more detailed breakdown of that?

(Mr. Deputy Chairperson in the Chair)

Mr. Manness: Mr. Deputy Chairperson, the difficulty we have here is the commission sat in two different fiscal years, so I have globals for 18 months. What I do not have is a breakout that totalled \$105,000, but I have totals that are comparable in measuring the same areas, and they

would be that the total paid to outside contracts would be a total of \$66,605.

Mr. Deputy Chairperson, there were total staff salaries to an analyst covering 18 months of \$54,000, to a secretary totalling \$46,500, and, of course, the executive director's remuneration over that period of time came to \$69,910.

So I have tried to give the globals over the two fiscal years for all of the other costs, outside of the commissioners, for the commission.

Ms. Friesen: So that total of \$66,000 for the outside contracts, does that cover four outside contracts or the two major ones, the Walker study and the Industrial Linkage study?

Mr. Manness: Mr. Deputy Chairperson, there were several, totalling as many as eight or 10, 11, but approximately \$44,000 of that total was directed to, as the member references, the Linkage study, Threshold Technologies Company, and the Walker study.

Ms. Friesen: So those two studies in particular, together, collectively, \$44,000. Thank you.

I want to pursue with the minister some issues arising out of the Roblin commission. Is this the line which he is interested in doing it? Well, first of all, maybe the minister should perhaps give us some sense of his response to the Roblin commission, and perhaps a timetable for when he might be making a formal response to it.

Mr. Manness: Mr. Deputy Chairperson, I was hoping to make a formal response at the beginning of June. I sense I will not be able to make a formal response now because of a setback today until the middle of June at the earliest, but certainly we are well positioned to meet that deadline.

Ms. Friesen: Will the minister indicate what kind of response he is thinking of making? Will it be a tabled paper? Will it be a ministerial statement in the House? Is it a process that will involve other public meetings or public discussions? When he says response, what does he have in mind?

Mr. Manness: Well, Mr. Deputy Chairperson, the process I will follow is once the government has agreed upon certain courses of action, we will share that with the universities prior to a public

announcement. I probably will not bring it to the House, but, in courtesy to the member, we will make sure that she has that information before the House. So that is the process of release that we are anticipating.

Ms. Friesen: The minister speaks of going directly to the universities. What is the role of the Universities Grants Commission in this process?

Mr. Manness: Mr. Deputy Chairperson, formally none.

Ms. Friesen: Two of the major recommendations of the Roblin commission refer to changes in process of government, the creation of a cabinet committee and a post-secondary section of the department with its own deputy, which would appear to by-pass the need for a universities grants commission. Has the minister got any plans for the UGC? Will his response to the Roblin report take into account the role of the UGC and its future?

Mr. Manness: Well, we were, I guess, waiting with some degree of bated breath as to whether the Roblin commission would deem to make recommendation with respect to the process that is presently in place under the Universities Grants Commission.

* (2220)

But, Mr. Deputy Chairperson, once the Roblin commission gave greater focus to a cabinet committee and/or a council, we are having to, I guess, do a major rethink how we want this instrument and this organ of government to act. We can go one or two ways. Right now we are inclined to possibly—because of linkages between other posts, between the colleges and universities, I think we are more inclined at this point to try to put together a hybrid of those two activities showing the community at large how important it is that there be linkages.

Ms. Friesen: When the minister says a hybrid of the two, I assumed he was referring to the cabinet committee and the council recommended, but I was actually looking for some discussion of where the Universities Grants Commission was likely to fit in the future.

Mr. Manness: Mr. Deputy Chairperson, when I said the hybrid of the two, I was not explicit. By that I mean hybrid of two secretariats, that being the Grants Commission and the colleges. So our thinking is not going to be, as we mull through the various options, restrictive or exhaustive purely putting into separate places university and colleges. I mean, we are trying to take them both into context with respect to the options we present to ourselves.

Ms. Friesen: It sounds to me as though what the minister is looking for is essentially an executive arm for the same function that the Roblin commission is proposing for the cabinet committee on post-secondary education.

Mr. Manness: It is probably not wise to speculate at this point. Once the announcement is made, I am expecting there will be some greater certainty around this issue.

Ms. Friesen: Mr. Deputy Chairperson, there were a number of other recommendations in the Roblin commission, but one in particular I think certainly gave great cause for reflection, and that was that it indicated that the provincial government has not set a post-secondary agenda to motivate discussion of priorities in programs or in research projects. It is a fairly blanket criticism of the role of provincial government, and I am prepared to say provincial governments in this case, in the direction of universities.

When the minister looks at his response, is he going to be looking at a way for the provincial government to set that post-secondary agenda?

Mr. Manness: Well, most definitely, but, Mr. Deputy Chairperson, I do not have to tell the member governments everywhere have been pretty timid to impose, some would say directions, some would say other areas upon university. I mean, that is the nature of the beast at this point in time. Yet universities are as well aware, hopefully, as anybody that, when the government of the day lays out a framework for economic growth which sets aside, within all of the sectors of our wealth creation, those which should be favoured with respect to provincial programming and, indeed, provincial focus, one would think that universities

would also understand where the leadership of the province was trying to take the province and would want to fit into that.

Obviously, the challenge will be then as to whether or not universities are prepared to assume their leadership role. Realizing that we as provinces cannot do all things for all people, and as we cannot hope to stimulate activity in all sectors and that there are decisions that are going to have to be made, they are obviously going to have to be part of the choices that are required.

Ms. Friesen: Mr. Deputy Chairperson, perhaps two things I want to reflect on from what the minister just said, and, that is, that I think his underlying assumption there, and perhaps even a specific one, was that there should be specialization within the university system of Manitoba. It cannot be all things to all people; it cannot be general. I think that was what he was saying.

So, first of all, is that a reasonable assumption to take from what he is saying? Is that the direction that, quote, the leadership of this province thinks that universities should be going?

My second question on that is, who decides, how do you decide what areas of specialization, and who should specialize in them?

Mr. Manness: Mr. Deputy Chairperson, I will not go much further in this area because then I will be scooping my own announcement. Certainly, we will draw some expectations from the university community to try, within their own spheres of influence, and make those decisions, but beyond that ultimately government is responsible. Anyways, that is enough said on that issue.

Ms. Friesen: Let me give the minister an example of decisions, major economic decisions, in my view, which are being made by universities, and I wonder what his response would be.

There have been over, the past few years and continuing to be into the future, decisions made by universities on three- and four-year degrees. Now, every time you move from a three-year degree to a four-year degree, to requiring that, you are actually making a major economic decision for the province. Who should be making that decision?

Mr. Manness: Mr. Deputy Chairperson, again, I am mindful of the competitive factor, competitive element. We are not an island to our own and, indeed, other competing institutions and other jurisdictions make decisions, and one has to be mindful and decide whether or not there is importance in matching decisions that are taken.

Still, the question around length of degrees and which faculties ultimately should continue to exist, if all, that will be a joint community decision; the community as a whole will decide. I am hoping that universities will be the first to try and come around that question, but, indeed, if they cannot, then obviously the government is going to have to make those decisions.

It is no different than what is happening in education reform. I mean, a lot of people said, government, stay out of it; you are the cause of the problem. We the educators can do it. Ultimately, at the end of the day, not very much has been done, and the government of the day, whoever it is, has to take an action. I sense that may be the same—that may be the case also with respect to university choices.

Ms. Friesen: One of the recommendations of the Roblin commission is for a system-wide co-operation. They used, as an example, teaching services, that support for teaching services be developed on a system-wide basis; and they gave the example of one of the teaching services at one of the universities, which could be more broadly applied.

This, obviously, is the other side of the coin. You go from one area where there is specialization, the push for specialization between universities, and the other side of that coin is you look at areas where there might be some shared services.

Could the minister indicate again, how will those decisions be made, how should they be made, on which services should be shared, and how that should be done, and over what length of time, and where does, for example, the minister's control over funding come into this kind of decision making?

Mr. Manness: Mr. Deputy Chairperson, again, the member is trying to draw responses out of me. We recognized the recommendation that attempts to deal with services provided to the professoriate, all of it, of course, directed towards enhancing quality, but I, too, think the universities maybe should be the first group that try to deal with that as an internal issue.

Ms. Friesen: I think the difficulty so far has been, in fact, that it is not internal, it is institutional, and that there are clearly institutional interests in each of these areas.

* (2230)

I know the minister thinks I am trying to draw him out—and, yes, to some extent, I am—but I am also trying to address issues of principle in the Roblin report that are very general and that may not be specific to whatever it is he wants to say in the middle of June. Obviously, the areas are specialization, common services, the role of the Universities Grants Commission and the kind of future directions that the government is looking at in process, and in the nature of decision making about a very important part of the provincial economy, and an area which has, I think, very strategic roles to play in a number of areas of the Manitoba economy.

So my question really was dealing with shared services—and I do not mean just shared services for teachers, obviously, and the shared services in libraries—but shared services in a number of areas, and shared programs. The Roblin commission talks about shared programs; it talks about common responsibilities for graduate schools. Again, I am looking to the minister for some indication of his response to those sorts of principles. Are those the kinds of things which he will be addressing in his report? How does he envisage those kinds of decisions being made?

Mr. Manness: Mr. Deputy Chairperson, I cannot answer the last question, but I can answer the first question. Yes, I see a tremendous requirement for the sharing of resources amongst our institutions, particularly the university institutions. I see it as their only salvation, to some extent. That will be the challenge that we will put to them.

I sense that today people who have the common interest of seeing these venerable but very important institutions continue to serve as they have in the past, continue to serve in an orderly fashion, Mr. Deputy Chairperson, that the same rationalization, the same hard decisions that are happening in every entity today in the public and, indeed, the private sector, are going to have to occur even in a greater fashion. I know it has happened. I know it has happened to a degree already, but I sense it has happened mainly on the margins.

It has happened in the area of some of the administrative expenditures, and that is all important. That is good, and that is to be promoted and applauded, but it is going to take much more than that. It is going to take choices, and at this point I think the challenge should be put out to the university community and to the community at large to come to some decision. I am hoping that the turf protection and the self-interest can be set aside long enough for the well-being of our universities. I believe it can happen.

Ms. Friesen: The minister mentions the role of the community in making this decision. One of the areas where the Roblin commission, I thought, was the weakest was, in fact, in having any ideas or innovative suggestions in how the community can participate in those decisions.

I have compared it when I have spoken to the very direct proposals, specific proposals that were made in the Saskatchewan review, and I wonder if the minister has any comments upon that. Does he have any reflections upon how the community at large can become involved in the decisions about the future of the universities?

Mr. Manness: Well, Mr. Deputy Chairperson, what I am about to relate probably does not sound like an awful lot, but, again, and I am sure the commission in understanding the incredible academic freedom that has been held and by our universities sensed that public accountability and public input to this process should probably occur at the board level, No. 1; No. 2, the universities, and to some extent I understand the University of Winnipeg particularly is doing this, is having an

open house and trying to on their own reach out to the community and have that input come forward.

I do not think at this point it is the government's mandate to do that. That was the purpose of the commission. I think we are all searching for ways that we can more meaningfully bring forward input from the community. Certainly, the government, whether it does it publicly or does it privately will obviously try to bring more information to any decision that it may ultimately have to render, but at this point the government senses the universities have a vital role to lead.

I mean, it is so easy for governments to move in and provide solutions which, of course, everybody can attack. It is a lot more difficult for individuals to try and find their own solutions to their own problems, and this maybe should be the first challenge.

Ms. Friesen: Mr. Deputy Chairperson, I think it was one of the disappointments of the people who read the Roblin report, at least the people whom I spoke to, that the commission did not have anything more specific to offer on that. The point that it made, that universities should make themselves transparent, should make themselves more understood, I think, was a good one, but that was step one. The offering of some suggestions, an indication of what had worked in other jurisdictions, what might be tried, what might be seen, in fact, as having reached that goal of transparency or accountability, what level of accountability did this public commission anticipate?

I think the Roblin commission had a real opportunity there that was missed. I hope the minister in his reflections on that might perhaps deal with that. Open houses, by the way, have been held regularly, I believe, by all universities. If the University of Winnipeg is going beyond that to look at a specific input from the public that perhaps goes in a different direction, and, again, is another step, I think, that is useful.

But in each case each institution I think in doing so is dealing with it only on an institutional basis. It is not dealing with a university-wide system. It is

not dealing with the needs of the public or the needs of Manitobans for its universities in general.

Again, I think you are quite likely to get into an institutional framework again rather than to try and get to the overall perspective of where you want to go with post-secondary degree education.

Mr. Manness: Mr. Deputy Chairperson, it is not that I personally do not know where I want to go. That is not the issue. The issue is because of the magnitude of the institution and the history of the institution, and the academic freedom enjoyed by the institution, the government is going to very, very carefully and sensitively move along in a process.

I know exactly where I would like to see universities go, but, in this case, we are going to let the community help steer me. I could develop a blueprint for a university change and choices in short order, but I am not saying it would be accepted very far or very widely, but it is not important. This is an issue that I really think the community as a whole, and I agree with the member, should be brought in and we have to be challenged to find ways of doing that.

The member did not scoff at my suggestion of open houses. When I said open house, I know that open house has been as old as—immemorial at universities, but I sense that what the University of Winnipeg was doing was not just doing it in the tradition of faculties, but it was doing it in the sense of having people coming in and really delve into the same issue and provide comment, not to tour the facility and feel warm about doing so.

Ms. Friesen: One of the additional recommendations, or at least one of the other areas that the Roblin commission dealt with, was the area of research. That has led to, I think, a great deal of unease at universities in the manner of its phrasing, and I wonder if the minister had anything he wanted to put on record about that.

I think the Roblin commission seemed to be saying, first of all, that teaching was to be more important than research, and, secondly, that it was only to be Manitoba research which would be considered important.

* (2240)

Now, my sense is that people have read too much into those kinds of comments, but I would like to give the minister the opportunity to put some comments on record about that, and the role of research in Manitoba universities.

Mr. Manness: Well, Mr. Deputy Chairperson, I guess I took a different interpretation from that particular passage. I read it as meaning there were no absolutes, but with a general statement that universities, if they want to be in sync with a general policy of leadership as brought forward by the government of the day and, in this case, want to focus and try and integrate research with those areas that have been earmarked and are targeted by the government as receiving higher priority rather than less, then some certain portion of the research activity should be directed towards those areas that have been made known to be preferred areas, priority areas of the economy as laid out by the Premier in the document on the Framework for Economic Growth. That is what I took that passage to mean.

Ms. Friesen: I think much of the concern about that—well, there are two areas of concern. One obviously is that there is a considerable body of opinion at universities which would believe that governments come and go, that those frameworks change, and that universities and research and post-secondary education, in particular, is a much bigger animal to move and to move it in shifts of four and five years is, in fact, to distort some of the purposes of the institution. So those would be some of the concerns that I would perhaps just lay before the minister, of those kinds of responses to the direct link between economic priorities and university education.

I think the second area is of disappointment, and I think some of the reactions to this particular section of the report have been that many people were very disappointed that Roblin did not take specific account of the existing Manitoba research that was done. It simply said that more should be done, but there seemed to be no recognition of the areas in fact where a considerable amount of research on Manitoba and on Manitoba issues and Manitoba future and linkages with Manitoba industries were already developed. I do not know

why Roblin did not indicate that in his report. It would have been a useful kind of benchmark I think for the end of the 20th Century to have essentially indicated how our universities were dealing with those kinds of priorities.

Mr. Manness: Mr. Deputy Chairperson, you see this is where we place our trust in a former premier who understands government extremely well, who probably as a premier made the most significant contribution to education across the scope than any other premier in history. Nobody has to defend Premier Roblin when it comes to his commitment to education, but that is why we had him lead the commission because nobody understands better than this person that the university, to the extent it believes it is above the government, or beyond wherever the government is, then is saying it is beyond the people, because the government is nothing more than the people. There it becomes a danger.

The member can say, well, there is a shortcoming, and governments come and go, and plans change, but I sense that I have not seen much focusing on government economic plans over the course of the last 20 years in this province. Some would say that is a shortcoming, and so, when our government lays out a framework for economic growth and picks the areas that we have to concentrate our efforts, something that has not been done in this province basically for 20 years, then I say the university community should take note of that. Because I do not care who the next government is going to be, although I do care in the sense that it will be us, Mr. Deputy Chairperson, the reality is those areas are not going to change. Those areas are going to be what we ride as winners into the next century.

When the member says there are good linkages with the private sector or the wealth-creating area today, that is not true. There is nothing further from the truth. [interjection] Agriculture, the connections—and agriculture was referenced in a researched way, and that is one of the bright shining lights today, but it is nothing, it is nothing, compared to what it was 15 or 20 years ago—I say that as a graduate of that system—the outreach. So, if that is the shining light, and I say then what

about the other professional faculties, how are they? Indeed when we apply—when the commission went to the EITC, the Economic Innovation and Technology Council, and took the best business brains within the province and asked them as to what degree of linkages are there today as compared to the past and how relevant, Mr. Deputy Chairperson, the commission received—there was no equivocation with respect to the statement. The linkages are not in place. The university is not serving the community like it did a time ago.

The member can say, well, what about health? I am proud, I am sure we are all proud of the research that is done and being committed in the area of health, but that in itself cannot sustain the arguments around how it is the universities should be reaching out in a broader fashion to the wealth-creating sectors of our society. So more has to be done, and I disagree strongly with the member when she says that the university today is well. It is trying. It is trying in some respects. There are individuals who are trying hard, and there are individuals that have some success, but as a blanket statement, Mr. Deputy Chairperson, the statement cannot be made.

There are too many, in my view, researchers who are not tied to the Manitoba economy. Yet, of course, one knows that \$220 million of taxpayer money goes into support of the institution. Most of it, of course, on the academic side, but still I am not trying to cast blame anywhere. I am just saying we have a problem. Let us try and resolve it.

Ms. Friesen: Mr. Deputy Chair, I wonder if the minister would like to elaborate on the theme of too many researchers are not tied to the Manitoba economy because it is exactly those kinds of blanket statements that cause great unease at universities. Does the minister perhaps have some way of elaborating on that? What would be enough? Is it 100 percent? Is it 80 percent?

I mean, obviously, it is silly to talk in those kinds of numbers, but those kinds of blanket statements, I am simply reflecting to the minister the kind of discussions which I hear and that those are cause for great concern and are cause for concern for

Manitoba university status amongst other universities as well. I mean, there is an international world here that we are talking about in post-secondary education.

Mr. Manness: Mr. Deputy Chairperson, I know blanket statements are unfair, and if I could withdraw the one I made, I would, but when we talk to the business community and we ask them, well, why are you not directing research support to our universities, and that is a general statement, or why is it not that there is a linkage in place? I mean, surely there are resources, there are research opportunities, that will provide greater opportunities to you. I must confess today there are many, many, and I cannot define how many, but the number of linkages today are not in keeping with what used to be certainly in the '60s and '70s as between the business community and the world of academe.

I am troubled by that. I am not casting blame, but I guess I am asking why. I am not putting all the blame at the university, and I am not laying all the blame of that on the university.

The member can talk about head offices being elsewhere. Well, that is probably a dimension of it. I would not argue against that, but, Mr. Deputy Chairperson, then we turn to our university. Then, if they see this, I would say it is up to them to then move into support of the young entrepreneurial climate that we do have still.

* (2250)

I can take the member into my constituency. I can take her in the space of one day to 40 small businesses, employing anywhere from 20 to 80 to 180 people, all small, but which today are representative of the real force of economic wealth in this province. I will ask them, well, what relationship do you have with the university? Well, they look at me in a most perplexed way, and, of course, a lot of them themselves are not trained, but I say, well, has anybody from the university ever come out and through extension opportunities made known what resources or what support may be there in a research sense? Nobody.

I am saying, Mr. Deputy Chairperson, this has been an oversight. Yes, head offices have moved

out, but that says the big. That means the big. That is the national. So it is time to promote now again, starting at the small, and let the small become big. Doing that, they will employ people. Yes, and maybe in time, they will move out also, but it continues. This is evolutionary. It breaks down and starts again.

My view is over the last 10 years; I have not seen where the universities have reached out again to the small and, some would say, the inconsequential and, some would say, not very sexy, but the reality is we need the rebirth and that linkages. The government cannot do much to foster that. In my view, that has to be started by the universities, because there was a time when that happened and the outreach happened from the universities first. It is not a chicken and egg situation to me. To me it is the universities' responsibility to reach out.

Hon. Linda McIntosh (Minister of Urban Affairs): Just for clarification, Mr. Deputy Chairperson, I am trying to understand what the member for Wolseley is saying when she is talking about head offices. I am wondering if she could clarify. Does she mean that business head offices are required here for the university to do well, and, if so, then what is her party doing to help business big offices stay here?

Ms. Friesen: I will help the minister understand what it was I was trying to suggest with that. The Minister of Education was suggesting there was a time in the 1960s when the university had greater outreach to small businesses in the agricultural sector in particular I assume he is talking about or—

Mr. Manness: Manufacturing.

Ms. Friesen: Manufacturing, okay. He was wondering what the difference was between the 1960s and the 1990s, and there are a number of differences. One of them is that Manitoba, and Winnipeg in particular, has lost a number of head offices. One of the opportunities that you have in head offices is, of course, that is where the decisions are made about support for research, the discretionary money that large companies do have for support, for the arts. The arts, I think, has also suffered in the same way. At least until the last

couple of years I would say there has been some changes, but generally speaking, when decisions are made outside of the province, the ability for the universities of Manitoba to benefit from corporate donations, corporate support, corporate attachment to certain kinds of research is less. When the head offices are in Toronto, Montreal and Vancouver, that is where the money has tended to go.

The universities in Manitoba, I think, have first of all been behind in soliciting private donations. They started later than other provinces, and, secondly, they are at a disadvantage because the head offices are not here in Manitoba. That was the point I was making. It is one of the differences, as the minister indicated.

There are other differences between the '60s and '90s as well, obviously in the international economic situation and in the way in which there has been a particular conservative market-driven ideology about educational institutions. All of those, I think, have fed into the kind of situation that the Roblin report has portrayed.

Mrs. McIntosh: The other half of that recognizing that importance was [inaudible]

Ms. Friesen: Well, I am not interested in getting into a discussion with the minister about party policy. We are here to discuss the Roblin commission and I would be happy if the minister had comments on that.

Mrs. McIntosh: It is obvious that you do not want to discuss it.

Mr. Manness: Mr. Deputy Chairperson, I would just comment by saying that the greater focus here is applied versus pure research. I guess the question is some pure research is being done. A lot of it is being committed to journals, and, obviously, we have to believe there is a payback of that, but it is probably long term in many cases. I do not sense the willingness to become involved in applied research to provide some immediate benefits to our business community. This is not an agriculture issue. This is a business support issue. So if I have some criticism, it is with respect to that.

As far as head offices leaving, you know, Mr. Deputy Chairperson, I cannot think of many

outside of the financial service sector. That is where most of the head office loss has been, within the financial sphere.

Ms. Friesen: Again, what I am trying to do for the minister is to reflect to him some of the responses to the Roblin commission and to indicate the disappointments that many people in the universities and post-secondary facilities had with some of the—not perhaps so much the recommendations, although some of that is there, but the way in which perhaps it did not take the opportunity to comment upon areas where the universities felt that they had been doing an important job with diminishing resources.

One of those was in the area of recognizing what Manitoba research had been done, was being done, continued to be done, may or may not be applied to business or agriculture or industrial areas, but certainly there is a great deal of many types of research which relate to the strategic plan of this particular government and which also relate to furthering knowledge about Manitoba.

But I think, again, another aspect of research is that the universities believe, and I believe quite rightly, that research brings in money to Manitoba. The minister tends to see it, or should I say the Roblin report tended to treat it as an area of unfulfilled obligation, first of all; second of all, as a kind of drain upon the economy, whereas I think the universities have tried to make the case over and over again that the research grants that are brought in internationally and nationally, from the national granting aegis, particularly in engineering, science and medicine, are enormous.

Those are new dollars coming into the Manitoba economy which would not be here without the research activities of individuals and groups and laboratories at the universities, and, again, I am looking for some reflection from the minister on that role of the universities as, in fact, wealth generators in themselves for the province of Manitoba.

Mr. Manness: This is where the member has me on the horns of a dilemma because, you see, a lot of the money she references—and I understand \$9 million coming into engineering research, \$10

million coming into health research—is important to the province and important to every institution in every other province that receives a significant portion also.

Mr. Deputy Chairperson, the situation is not an awful lot different than the infrastructure program that we are dealing with. What is the source of the money? Most of it is federal money. Most of it is borrowed. Most of it is payable by ourselves.

To the extent that it is international money coming in, that is a real net gain. That is like tourism dollars. That is like an American tourist coming here and spending dollars. That is real benefit. Oh, I am sorry, I should not have used the word “American.”

Mr. Deputy Chairperson, the funding in the sense that it is federal sourced and worse than that, it is federal borrowed, it is our money. It is no different from the infrastructure program that we are all supporting. At least we are paying for our share.

But to take it out of our own pockets and then turn it over to any institution or to any good cause, then there better be a pretty fairly immediate payback or at least a guaranteed payback. I think that is all the commission was trying to say. Be mindful of the sources. Recognize, yes, that research has benefit, but recognize that if it is borrowed money from whatever source, then it may not have the same benefit.

But also recognize that we have an economy, we have a plant, we have a generator of wealth that needs support and that everybody, I do not care if they are in a publicly funded institution, but everybody better get behind the wheel. I do not think today there is a mindset in enough places—there is in some—but in enough sections of the universities yet that accepts that point of view, and the member may not.

I certainly strongly believe it. I believe the university has a crucial, critical role to play, particularly now, to begin to refocus and support the plant that wants to produce the wealth. So that we can redistribute to the betterment of all requires quite a mind shift at this institution to which we provide all of this academic freedom.

* (2300)

Society everywhere is going through these difficult times, how to deal with these institutions. I am glad the member has not focused on funding, because it is a much bigger issue than funding.

Ms. Friesen: I am trying to draw to the minister's attention the role of the universities in bringing money into Manitoba that would not otherwise come to Manitoba. Yes, the minister is right; it is a form of infrastructure matter, absolutely. But one of the difficulties and one of the apprehensions of people who foresee that argument, that too many researchers are not tied to the Manitoba economy, see the other side of that argument that, if that is the only and blanket direction in which the government wants the universities to go, that could be counterproductive in that that is not going to bring in the national granting agencies' money in all cases. In some cases, it will. So, again, I am just trying to reflect to the minister some of the concerns that people have had when they have read those kinds of statements.

Mr. Manness: Mr. Deputy Chairperson, I will make a very brief point. I took that to mean, focus on whether or not there should be a greater balance. That is the way I read it. It was not the blanket statement that all research be directed in support. It was just, recognize the times we are in, and it calls into question whether there should be some greater balance.

Ms. Friesen: The Roblin commission also made some unusual comments, unusual in the context of recent reviews of university education across the country, some unusual comments on student fees, the application of differential rates to different faculties. A common argument has been, particularly since the Smith report, that universities should aim to have student fees set at a rate whereby the student fee pays approximately 20 percent to 25 percent of the operating costs of the university. That has been usually—although the second part of it is not always put in parallel, but it has always been accompanied in the Smith report by recommendations for a greater increase of ACCESS-type grants and of student bursary

funding or of different approaches to income contingent repayment.

However, the Roblin commission went in a different direction and talked about differential funding across faculties. There are certainly proposals within one of the universities right now to move in that direction as part, in fact, of their continuing review of universities. So I am looking for the minister's response to that particular argument. Is that something that is going to be part of his review or his response in mid-June?

Mr. Manness: Mr. Deputy Chairperson, yes, we are wrestling with this particular recommendation, and we will give ourselves some time, I think, to look at this whole issue. We see this as requiring some fair amount of time because, as the member says, the proposal is different. I am not troubled by that on the surface, but I guess I do not want—although in principle it is easy to accept the fact that individuals who are practising dentistry should be expected to pay more of the costs associated with their time and study, but that, then, would say that the people who could enter that faculty then would necessarily come from a higher economic class. So we are going to give ourselves proper time to study the ramifications of the recommendation.

Ms. Friesen: Mr. Deputy Chairperson, I am gathering from the minister's comments that he believes, that his assumption is, that this is a province-wide type of decision or it is something which requires the input of the community and/or the government in some way or other. I wondered if the minister was aware that such discussions were underway at one of the universities, and how would he view one university moving in that direction, if that should not be the direction which they go?

Mr. Manness: We are well aware of the discussions that are taking place, but it is an academic exercise right now with the caps and tuitions that we have in place. I do not think I should say anything more on the issue.

Ms. Friesen: Well, perhaps one final comment on that is the Roblin commission called for a freeze on university fees while these deliberations were in

process. Would the minister have any comment upon that?

Mr. Manness: We have obviously violated it this year because we have allowed for a 5 percent increase, and I find out, by way of some administrative process, a little bit more than that because of additional fees charged to students.

So I still sense that we are keeping with the spirit of the recommendation, and I honestly believe that before—I have always said generally that until institutions, whether they are health or whether indeed they are educational, before they reach to the user in a big fashion, there still has to be some rationalization done internally. I honestly believe that.

I know some universities claim they have already gone a long way to that end. I am saying that, in spite of your best efforts, there is more to do, and I would think that only after the government of the day senses that enough of the questions around the issues we have been discussing earlier tonight have been answered, and, indeed, change implemented at that time, would they be accepting of a significant increase in tuition fees.

Ms. Friesen: Mr. Deputy Chairperson, as a final note on fees, I would draw to the minister's attention that the Roblin commission uses or applies University of Manitoba figures on tuition and program cost to all institutions, and there are great differences among the three institutions. I assume that they have brought this to the minister's attention. I thought I would just put it on the record.

I wanted to ask the minister about the linkages between colleges and universities, which is obviously an area that the Roblin commission paid great attention to, and I wondered if the minister had dealt with the UGC on this. This is an area that under existing conditions, under existing institutions, the minister would have, I think, some influence to suggest areas of linkages without waiting for the changes in structure in the department or in post-secondary education generally. So is the minister planning to follow any

of the Roblin commission recommendations in that area through existing institutions?

Mr. Manness: Mr. Deputy Chairperson, the answer I provided earlier probably would appropriately answer this question, too. There is no doubt that, when we put the challenge out to universities, with that will go the challenge as to how they better link with community colleges because they are deemed to be senior and they therefore will be deemed to take the lead.

There are some good working relationships that exist now between universities and colleges, but we will want to see them rapidly and readily expanded. To the extent that that happens on its own in keeping with the reality and common sense of the day, the government does not need to be involved. To the extent that it does not occur because of significant turf protection or indeed, again, institutions, both university and college, wanting to be everything to all people, then obviously the government will become more actively involved in that process and will become a little bit dictatorial.

Ms. Friesen: One of the recommendations in this area from the Roblin commission was the transformation—well, perhaps not transformation, but the opportunity for Keewatin to offer a general studies university degree. Has the minister gotten any response to that or recommendations on that?

* (2310)

Mr. Manness: Mr. Deputy Chairperson, I will be responding to that. I ask the member to again wait. I still, though, see a significant role for Keewatin Community College because, as I have said publicly, I do not want to see the proliferation of institutions, and even the efforts of outreach by southern institutions in the North, I want to see greater co-ordination before everybody rushing into the frontier to do their thing.

Ms. Friesen: On distance education, that is another area that the Roblin commission put a great deal of emphasis upon, and particularly the commission worried about the level of competition and the level of what it saw as duplication and overlap in parts of Manitoba. I wondered, is the

minister planning to respond on that in mid-June, or will this be a totally separate initiative?

Again, is this something that can be done under existing institutions? It was something which I think both the government and the Roblin commission wants to see move very quickly. So is the minister considering moving on under existing institutions in that area?

Mr. Manness: Mr. Deputy Chairperson, distance ed is emerging to be such a large issue on its own that we will have to look at it in its own light, and the government, too, before summer will be responding on how distance ed as a thrust across all of our educational institutions will try and be integrated in a fashion that does not lead to overlap and duplication and everybody rushing around to stake their claim.

It is certainly tied into what Mr. Roblin has had to say. It ties in, of course, to the ed reform package, and it ties into the infrastructure program that we are trying to deal with, with the federal government. I mean, it just ties in everywhere.

Ultimately, when you look as to who should have the lead in it, the area of education obviously has to be the greatest, most immediate application. There is no question there, and who is responsible for education under the Constitution of our country, of course, is the province. We certainly feel that we are well advanced, but we still have to continue to push hard, and, again, we would expect an announcement by mid-summer.

Ms. Friesen: Will this take account of the comments and the opportunities that were posed in the western provinces' consortium on distance education? There are a number of areas of interest there for the province of Manitoba. Or, again, are we looking at simply a Manitoba initiative based on Roblin, based on the K to 12 changes?

Mr. Manness: Mr. Deputy Chairperson, this whole area is like a river running wild. You do not know where the greatest or the fastest moving arm is. I mean, the Premiers refer to interprovincial working relationships, and certainly, we are trying to cultivate those.

You have, obviously, education and the application within the public school system, and,

of course, by extension the post-secondary areas of education. You have health wanting to adopt the new technology. You have library services. Beyond that, you have a desire by government to see some integrated model reaching purely into the rural areas that will provide services in a whole host of areas.

So it comes at one in a thousand different ways, and what we are trying to do is give it a consistent approach, give it an umbrella approach, still recognizing that in the first instance for the foreseeable years, certainly the rest of this decade, education will be the big user and the area of application that will have the greatest to gain.

Ms. Friesen: Does the minister envisage a time in the immediate future when full university programs will be offered by distance education?

Mr. Manness: Mr. Deputy Chairperson, I would say pretty soon. I do not know whether that will happen in terms of '94-95, but I am willing to bet that by '96, there will be a significant portion of the calendar, both university and colleges, where it lends itself, where it will be offered by way of distance education.

Ms. Friesen: This is out of sequence. I had meant to ask this earlier when we were talking about areas of co-operation between universities, and that was the issue of the Internet which has recently been altered, I gather, by the Universities Grants Commission.

I wonder if the minister could give us just a summary of the changes in the Internet program? I understand that it was an area of funding which had been shared by the three universities and that now it has been altered.

Mr. Manness: Mr. Deputy Chairperson, to the extent that there was a model in place where the universities were sharing and working together, we sensed the wisdom in funding that, but as soon as that model broke down, we were not going to provide support to overlap and duplication and replicating of those systems throughout.

Ms. Friesen: What is the minister's view of why that broke down?

Mr. Manness: Well, Mr. Deputy Chairperson, it broke down because of technology itself, and it broke down because the old, big mainframe, which had a certain itinerant cost associated with it, on the economic argument was beaten by the new generation of PCs that, of course, allowed institutions to do it on their own at a lesser cost.

Ms. Friesen: That is certainly the argument that I hear from the University of Manitoba, but I understand from the smaller institutions that they have—so the University of Manitoba sees that technologically it is an advance for them that they have the opportunity to have a lot of desktop computers and systems throughout the university in different networks, but the smaller universities might feel that they have lost something, and that they do not have the same opportunities as the larger university to tie in to the individual applications of technology.

Mr. Manness: Well, Mr. Deputy Chairperson, what we sense is that the smaller universities indeed willingly wanted to leave because they were able to develop their own effective systems, which I am led to believe are producing quite well and are becoming models in their own right. So that is what I am led to believe.

Ms. Friesen: So, from the minister's perspective then, this is in fact a step forward. It is not a loss of co-operation or a loss of effectiveness of sharing of resources.

Mr. Manness: Well, Mr. Deputy Chairperson, in this case, I guess it is that technology can lead to even greater efficiencies even though there is no longer co-operation. It does not happen very often, but I gather that is the point in this case.

Ms. Friesen: I wanted to ask about the overall sense of universities in the province and the relationship to demographics. Does the Universities Grants Commission—I am remembering that is in fact the line we are on—deal on an annual basis or on a regular basis with the provincial demographics? How does it relate this in a policy sense, that is, in determining the amount of funding for universities and for particular programs, to the decisions it makes?

Mr. Manness: Mr. Deputy Chairperson, demographics, in the sense that I understand what they mean and hopefully that is in keeping with the way the member uses the word, do not play a large role in the allocation process. What plays a larger role, of course, are the number of students globally within the university, and the stability around the numbers within the faculties. Given that there have not been significant changes, vis-à-vis one university versus the other, then there has been no requirement for significant change in allocation, one year as compared to the preceding year.

* (2320)

Ms. Friesen: Within that overall stability I think there have been some shifts. One obvious one, and it is in the UGC's own report, is the increase in part-time students. That is similar, of course, to other provinces as well, although I think in Manitoba, certainly if we look at the Maclean's survey, one of the areas that stands out is the number of students who work, at Manitoba universities, and the incidence of part-time students, I think, is greater here than in some areas.

There are substantial issues, I think, of cost-effectiveness for universities as a whole. We have an increasing number of people who are part-time students who are taking longer to finish their degrees. Has the Universities Grants Commission looked at this and looked at the implications for the system as a whole?

Mr. Manness: Well, Mr. Deputy Chairperson, the member's point is well made. Obviously, through reflection of the times and the pressures that exist, I am talking now the increasing number of part-time students and those who take longer to complete a course of study, we will address this when I make comment with respect to the Roblin commission. I do not know how it is we take it into account as a variable in a funding formula. I suppose there is always a way.

We have another university claiming that they are already covering us—the University of Winnipeg, and I put this on the record—of course, would claim they are already by way of tuition covering 35 percent. The students are already covering 35 percent of the cost of operation at the

University of Winnipeg. So there are changing factors everywhere, and ultimately it is the weight one gives the variables that determine how the formula will globally change the level of funding as between the preceding year and the present year, university by university.

Ms. Friesen: My question was really an economic cost-benefit, not necessarily cost-benefit but certainly an indication of what the economic consequences are of this trend, and it is a trend. I think that has stabilized. It is a trend that is likely to increase. What are the implications in economic terms for the overall university system?

Mr. Manness: Mr. Deputy Chairperson, I point out this is a dynamic trend issue. I mean, up until three years ago there was a significant increase in part-time students. The last three years the experience has been the reverse, so if the member is saying, can you do an economic analysis as to how society is gaining or losing taking into account these trends, I will tell you that would take a pretty complex economic model to begin to build that.

I do not know if the member spent a lot of time building models. I did all my training in that, and I do not know whether you could do it. I do not know whether you could do anything more than do it as a nation, if you could do it as a nation. There only are two economic models that exist that try and measure well the economy, and they rest with the Department of Finance in Ottawa and the Economic Council of Canada.

Ms. Friesen: I was giving that as an example of the kind of research that I was looking for, because this is the one area of government, the Universities Grants Commission, which could look at those kinds of issues. The part-time one is an obvious one. Another one is the so-called echo baby boom, which is anticipated will arrive or emerge in 1998 to 2006. Has the UGC looked at the implications of that? Is that going to be an issue in Manitoba, first of all, and have you looked at the implications of that for the future of universities?

Mr. Manness: UGC has not looked at that, but certainly I have challenged universities to look at that. I have also challenged universities to indicate

where they will be, where will the campus be, 10 years from now as we reach out by distance education, not only to rural parts maybe but even to within the home and the living room and the study room within the city of Winnipeg. I mean, what is the campus model going to look like moving into the next century? So it is a much bigger issue than just part-time students, and the member, I assume, agrees with me.

Ms. Friesen: Yes, I was giving both of those as examples, and again I am looking for an area of shared services here. Yes, each university could develop those kinds of models. It could each define its own region and its own mandate in different ways. But here we do have one area of government, one particular department of government which does allocate funds on both a short-term and a long-term basis, looks at university plans, looks at university capital development, and I wondered if those kinds of implications were part of their decisions.

Mr. Manness: Mr. Deputy Chairperson, in a perfect world, that would probably be the case, but what the member is talking about in building models, dealing with a million people to try to make them meaningfully work, is an impossible task, and I dare say the nation as a whole would have difficulty bringing forth meaningful results even if we were to look into the university community across Canada. In a perfect world, we would do it, but I am sorry, the resources are not there to even begin to attempt to do that.

Ms. Friesen: Well, I actually am looking at a document from Alberta which does propose to do that, Alberta Advanced Education, October 1989. It does pose those questions, at least for public discussion and for discussion in the context of Alberta. If the minister believes that a better model could be found on a national basis, yes, I am sure that is obviously a good starting point. Has he brought this to the Council of Ministers of Education?

Mr. Manness: Mr. Deputy Chairperson, as I have indicated before, most of the focus of the discussion at the Council of Ministers of Education has been towards the public school system. Let me

say, though, that with Alberta experiencing a 21 percent decrease in funding over the next three years to its university system, I will be watching carefully to see how far they move along the path to building this model. I mean, this is a tremendous Herculean task of trying to build a model that is competent to any extent.

Ms. Friesen: One of the areas I think that has been discussed, by not only Roblin but other university commissions and college commissions across the country, has been the area of continuing education, defined in many ways: as further education, as lifelong learning, as market-driven training. There are lots of definitions which are used. Again, I am asking the minister, is his response to the Roblin commission going to involve that aspect of university education?

* (2330)

Mr. Manness: Mr. Deputy Chairperson, lifelong learning I think is important to us. I do not know when the formal dimension of it—we know when it begins. I guess to us it is important that we try to develop more of a seamless web through the formal process of education. After that, for those who want to renew or refresh or upgrade, it becomes a challenge then, not to spend more money on it but taking the existing money that we have now in place, call for greater system-wide efficiencies throughout all the levels of formal learning and obviously call upon the user to provide greater revenue and support for that lifelong learning. There is no magic around this. It is a general term, but I think that to make it more meaningful, we have to put into place a system of learning that is more efficient from the beginning, kindergarten right through.

Mr. Deputy Chairperson: The hour being after 11:30, what is the will of the committee? Committee rise.

FAMILY SERVICES

Madam Chairperson (Louise Dacquay): Order, please. Will the Committee of Supply please come to order.

This section of the Committee of Supply is dealing with the Estimates for the Department of

Family Services. We are on item 3.(a) Rehabilitation, Community Living and Day Care, and if memory serves me correctly, I believe the minister was about to respond to the honourable member for Burrows's question. Does the honourable member for Burrows wish to repeat this question?

Hon. Bonnie Mitchelson (Minister of Family Services): For the interest of all concerned and for the record, then, in order to give a full and factual answer, I would like to have the question repeated if that is possible.

Mr. Doug Martindale (Burrows): I think first the minister should introduce her hard-working staff.

Mrs. Mitchelson: Madam Chairperson, I think too the staff that are here tonight were here last evening. That is Roxy Freedman, Deputy Minister, and Martin Billinkoff, ADM of Management Services. Tannis Mindell is the ADM of Community Living, Rehab and Day Care, and Kim Sharman is Executive Director of Community Living.

Mr. Martindale: Madam Chairperson, I think when we left off we were talking about group homes, and the minister had indicated that the new funding was only available to new clients, so I was asking what the current providers of group homes and other services were going to do, given that some of them had contacted me saying that the funding was inadequate for staffing and even for things like utilities. I guess I used two examples, one was a group home in Portage—and I am sorry, I do not have the name of the group home, the organization—and the other was Brandon Community Options, which had indicated to me that they had put in a request for funding for night staff. They have night staff, but they apparently do not have funding to pay for them.

Mrs. Mitchelson: Madam Chairperson, there are some group homes throughout the province that are currently requesting awake night staff resources. Some do have, and within the new budget allocation, there will be some dollars for awake night staff, but the decisions have not been made at this point on which facilities might get them.

Brandon Community Options is one that has asked. I believe they have seven residences for the mentally handicapped. Some of their residences do have awake night staff, and others do not, and those are the ones that are requesting. I do not know if we will be able to commit to all of those requests.

Mr. Martindale: When you are making this decision, will you divide up the money amongst all of the facilities, or will you just try to fund those that have put in a request? How will you make a decision on this?

Mrs. Mitchelson: Madam Chairperson, we will look at all of the needs, the types of residents who are in the group homes, and will make a decision based on that needs assessment.

There may be, as a result of new residences coming on stream, a need, depending on the level of care, level of supervision that is needed, you know, some support in some of those residences. We will have to assess what new facilities we are going to put in place and take a look at the level of care required right throughout the old and the new and then make the decisions accordingly.

Mr. Martindale: Could the minister tell me if the problem that she got involved in in her constituency is licensed by the Residential Care Licensing branch, the foster home?

Mrs. Mitchelson: Madam Chairperson, it is Residential Care Licensing that does license foster homes. It is a foster home in my community, and it is licensed under Residential Care. It is not in this area.

Mr. Martindale: I was wondering what has happened since the stories in the Winnipeg Free Press on April 27. Has the minister had a chance to meet with both sides, and have their concerns been dealt with?

Mrs. Mitchelson: Yes, we had a community meeting at a local elementary school where residents of the community were invited, with a facilitator and with experts from the child welfare system to provide information and to answer questions. We had departmental staff there, too.

I was there and was able to listen to the questions that were asked and answers that were given, and I think towards the end of the meeting—and when you have an issue in a community—I am sure from time to time all of us have had those issues. I know some of the opposition have had issues in their communities surrounding group homes, and staff have come out and provided information.

I know the issue has settled down, and there seems to be a fairly co-operative approach within the community. I believe there are probably some people who are maybe not satisfied, but I think the majority of the residents in our community are satisfied with the answers and the information they were given.

It was an opportunity to provide some information, some education to our community around what the role of foster homes is, what the differences between foster homes and group homes are, and I think even as a result of the meeting, there was at least one inquiry wondering how they might be able to become foster parents. So I think that could be one very positive resolution of the whole process.

Mr. Martindale: I am glad to hear that, according to the minister, there was a satisfactory resolution of the problems there.

Does Work and Social Opportunities come under this part of your department?

Mrs. Mitchelson: Yes.

Mr. Martindale: Apparently, there seemed to be a number of groups that do quite well, and the only publicity they get is good publicity, and I think Sturgeon Creek Enterprises would be an example of that. I do not get phone calls from their board members or staff or parents or participants, but that is not true with WASO. I am still getting phone calls from staff and parents.

* (1940)

I know that the minister has investigated because I wrote to the minister, and I got a reply from the minister or her predecessor, no, from this minister, and even though the minister has said that she has investigated, and I know that the department is monitoring Waso very closely, and

apparently, there has been an increase of at least one staffperson, there still seems to be problems.

I would like to ask the minister, first of all, what does she think the problem is there? Is it a board-staff problem? Is it a management problem? Is it a problem with the executive director, and what is her department doing about it?

Mrs. Mitchelson: Madam Chairperson, I think what I have to indicate is that all of the agencies we fund in this area are run by volunteer boards. There are many volunteers throughout our community that do make a major commitment to providing time and expertise and, hopefully, direction in areas that they have special interest. Waso is no exception. There is a volunteer board, and I think they are extremely committed to trying to work together with the department to facilitate a positive resolution. We will and have been and will continue to work with them.

I guess from time to time, there are staff-management problems, management-board problems, and we try to work through those and ensure the services that are provided to the community and to those who are vulnerable in our community are the best we can possibly offer, but from time to time there are issues surrounding board-staff relationships that need some additional support. We try to, in the department, provide the support to solve the problems.

Mr. Martindale: Well, I agree with the minister to the extent these organizations are in the hands of volunteer board members and that we appreciate the work that these volunteers do. I happen to know one of the board members. I guess that is okay, as long as the organizations are functioning well, fulfilling their mandate and following whatever guidelines are issued from this department, but when there is a problem, I think the department can no longer have a hands-off stance or attitude. They need to become involved internally in the organization to resolve the problems.

You have indicated, I think, that more support has been provided. I wonder if the minister can expand and tell us what kind of support has been provided.

Mrs. Mitchelson: Madam Chairperson, the department has been working vigorously with Waso. They have staff in there on almost a daily basis to monitor and ensure that things are going accordingly. They have met with the parent advisory body. They have met with the board on many occasions, and they are working to try to find a resolution.

I guess the issue here is, do you shut down Waso and not allow an opportunity for these people to have some meaningful activity or do we try to work through the problems and ensure that things are going smoothly and satisfactorily and try to get some of the glitches out of the situation. I hesitate at this point to say that we should walk in and take the keys away and take over. I think it is incumbent upon us as a department to try to work through the problems and resolve them wherever possible. So that is what we are doing, and it is on a daily basis.

Mr. Martindale: I was not suggesting that the minister take over the organization. I was suggesting, though, that the accusations that are being made are serious and need to be resolved to the public's satisfaction and to the minister's.

One of the more specific concerns that has been raised is the level of staffing, particularly over the noon hour, and I am wondering if the staff ratio has been increased during that time.

Mrs. Mitchelson: Yes, they have hired another staffperson, and we are monitoring to ensure that the right staff-client ratios are in place at all times.

Mr. Martindale: I would like to move on to the Vulnerable Persons Commissioner's Office, and ask the minister if there is a reason for the fact that there is no budget money allocated. I believe the minister, in correspondence to me, indicated that she hopes to hire the commissioner by the fall of 1994, and I assume that there would be some salary expense for the commissioner and for other staff. I wonder if the minister can explain why there is no money in the budget?

Mrs. Mitchelson: Madam Chairperson, the amount in the budget is for operating costs. What we will be doing for staffing is reallocating staffing resources from within the department, so we will be recruiting and hiring someone for the

commissioner. It will be into a vacant staff position that has been reallocated within.

Mr. Martindale: Could the minister indicate the salary range of the Vulnerable Persons Commissioner?

Mrs. Mitchelson: That has just been submitted to the Civil Service Commission for classification, based on the job description that has been developed.

Mr. Martindale: I wonder if the minister can indicate the number of staff years? I presume managerial would be one and that would refer to the vulnerable commissioner, but how many professional/technical, administrative staff positions would there be?

Mrs. Mitchelson: Madam Chairperson, we plan to have four staff when the office is up and running, fully operational, the commissioner, two program analysts and one administrative support.

Mr. Martindale: And the minister plans to reallocate SYs from within the department to fill all of these positions?

Mrs. Mitchelson: Yes.

Mr. Martindale: Is that because there are vacancies in the department and so the budget money is available?

Mrs. Mitchelson: From time to time there are vacancies. There have been decisions made in this budget process for some staff reductions, and we have managed to accommodate that with very little problem. We will be looking at areas where we can reallocate from to the vulnerable commissioner. It will be doable.

Mr. Martindale: I would like to correct something I said earlier. The minister's letter of April 6 actually says that she is hoping the recruitment process will begin in early fiscal year '94-95. Could the minister tell us what goals she has for the hiring time line for getting the commissioner hired and the staff hired and the office up and running?

Mrs. Mitchelson: As soon as the position is classified by the Civil Service Commission we will be bulletining that position and going through that process. I would like to see it happen by late

summer or early fall because we are looking at proclamation of the legislation in the fall sometime, and we would like the commissioner hired before that happens.

Ms. Norma McCormick (Osborne): Madam Chairperson, I heard the minister use the word "bulletining." So it is intended that it will be an internal competition, not going outside the department but there will be a recruitment process.

* (1950)

Mrs. Mitchelson: There will be a recruitment process, and I would believe it probably will be open outside of the Civil Service also. There will be qualifications set down in the job description, and I am sure we will go to an open competition on this one.

Madam Chairperson: 3.(a) Administration (1) Salaries and Employee Benefits \$678,900—pass; (2) Other Expenditures \$232,300—pass.

3.(b) Vulnerable Persons Commissioner's Office \$257,000—pass.

3.(c) Community Living and Vocational Rehabilitation Programs (1) Adult Services (a) Salaries and Employee Benefits \$1,458,600—pass; (b) Other Expenditures \$337,500—pass; (c) Financial Assistance and External Agencies \$41,882,800—pass.

3.(c)(2) Children's Special Services (a) Salaries and Employee Benefits \$247,200.

Mr. Martindale: Madam Chairperson, this is one part of the department that I am not very familiar with. I wonder if the minister could tell us a little bit about Children's Special Services.

Mrs. Mitchelson: Madam Chairperson, under Children's Special Services you will find funding for St. Amant Centre, for the Society for Manitobans with Disabilities and for children with mental and physical disabilities in their own homes and the support services that are required to keep them in home or provide respite.

Mr. Martindale: Could the minister update us on the two-year pilot project? There is a description of this in one of the newsletters from the St. Amant Centre, and I think there were some questions about it last year.

I believe originally there were a certain number of individuals who were supposed to benefit from this program, but I think the actual number was cut in half. Perhaps the minister could verify that, and then bring us up to date on the two-year pilot project.

Mrs. Mitchelson: Madam Chairperson, it was originally announced as up to 25, and we do have 10 people who are in the pilot project now. We have just finished the first year, and it has been extremely successful for those 10 who have been enrolled. I have had the opportunity to meet and discuss with them what a positive experience it is to have a circle of friends around you that are your support network and can help you make decisions to have service provision.

We are presently looking at whether we will have the ability to enhance that program or not. There has been no final decision on that.

Mr. Martindale: Could the minister tell us if these individuals were previously in an institution like the St. Amant Centre before they were given the opportunity to take part in the family-based care option?

Mrs. Mitchelson: Out of the 10, four were in MDC, two were in St. Amant Centre and four were in the community.

Mr. Martindale: I presume at the end of the two-year period there will be an evaluation, and then the minister will decide whether to continue with the current number of 10 or to expand to 25 or make it available to more people in the community. I wonder if the minister could tell us what sort of criteria will be used in evaluating this pilot project.

Mrs. Mitchelson: Madam Chairperson, there was an ongoing evaluative system built right into the project as it started, so we are monitoring on an ongoing basis. We should be able to have a final evaluation very quickly, once the pilot is finished, and, yes, then a decision will have to be made on expansion of the program, whether it is working, whether it has been a positive experience and whether it is something we want to continue or enhance or expand upon.

Mr. Martindale: I think the minister has already indicated that it is a positive experience for these individuals, so I have a number of questions based on that. First of all, is this pilot project cheaper than having these individuals in institutions such as the Manitoba Developmental Centre and St. Amant Centre?

Mrs. Mitchelson: That is one of the things we will have to look at, and that is part of the evaluation process. At the end of the two-year pilot, we will have to assess what the costs would have been had they been maintained.

I guess there is no absolute cost that can be determined right at this point. I guess we would have to evaluate circumstances once the two years are finished and see whether we felt it was cost-effective and positive.

Mr. Martindale: Being cost-effective should not be the only criteria, and it sounds like it will not be, but if it is a positive experience for these individuals and their families, it would seem to make sense to continue it on a permanent basis or even expand it and make it available to more people.

I suppose the minister is going to say it is too soon to tell because the two years are not up, but are there people who are pushing for this in the community, like the parents and support groups and St. Amant Centre and Manitoba Developmental Centre, as well?

Mrs. Mitchelson: Yes, there certainly is advocacy on behalf of this kind of program where people can be their own decision makers with the support of their friends, that circle of people who do surround them. I think we all had an opportunity to meet with—what is the health initiative? The Independent Living Resource Centre has a pilot program for self-managed help, and I know that I had an opportunity to meet with them in the Legislature. They were here some time last fall, I guess. I believe even my honourable friend was there and spent some time with them. It appears to be a very positive experience.

What they are saying is that they have the ability to manage, to hire and to fire and to have the flexibility built into the programming that is not

always available when you are looking at home care services and having to accept the worker you are given. Even if there is an incompatibility, sometimes there is not the ability to change as quickly, but when you have the opportunity to manage your own care, I think it is a very positive experience.

You know, it is one of the things we have piloted. I think we have been on the leading edge in Manitoba as far as piloting these kinds of programs. We will continue to monitor, and if at all possible, if we find that it is working well, indeed we will have to think seriously about expansion on both sides.

* (2000)

Mr. Martindale: When will the two years be up?

Mrs. Mitchelson: It will be another full year at least before the two years are up.

Mr. Martindale: Well, I look forward to asking questions about it again next year in Estimates, if there are Estimates next year at this time.

I would like to go back to one other area. It has to do with an organization called Career Connections Incorporated in Brandon, formerly known ARM Industries Inc. They seem to be having some financial problems, and my colleague the member for Brandon East (Mr. Leonard Evans) wrote to the minister on March 2.

I am wondering if the minister can tell us what the current status is for this organization. Do they feel they still have financial problems, or is the minister able to give them more money in this financial year?

Mrs. Mitchelson: Staff have been meeting with them to try to resolve their problems, and they are in the process of trying to come to a resolution.

Ms. McCormick: Madam Chairperson, I, too, have some questions around the pilot project. Were the evaluation criteria established prior to the commencement of the pilot project?

Mrs. Mitchelson: Yes, they were.

Ms. McCormick: Were . . . evaluations being conducted within your department or by outsiders who are . . .

Mrs. Mitchelson: Yes, there will be an internal and external evaluation, and these are the kinds of questions that will be asked for evaluative purposes. Have we done the right thing? How well did we perform? Did we design our approach properly? Did we implement properly? Did we get the expected results? Did we get unexpected results? These are positive or negative. What are the financial implications of the project and is there a better way of solving the problem? So those are all the things that will be asked.

Ms. McCormick: I am interpreting then that it is both a program evaluation and also a service evaluation, that there will be an evaluation of the suitability of the service to the individual clients who were selected into it.

Mrs. Mitchelson: I can say yes to that question and indicate that the issues of evaluation are project rationale and relevance, implementation, effectiveness, cost-effectiveness, project alternatives, so a fairly comprehensive evaluative process to ensure that we have made the right decisions and that there is not an even better way of trying to provide services here.

Ms. McCormick: The time line for the commencement of the evaluation, given that the project is of two-years duration, will the evaluation occur early enough in the final year of the project so as not to disrupt service if it is indeed to continue or not to create undue anxiety in terms of the recipients of the service?

Mrs. Mitchelson: The evaluation is ongoing right throughout the pilot, so it has started. It started as the first person was taken in and as each person comes on stream. That evaluation process starts for that person and it will be ongoing right through the whole term of the project.

Ms. McCormick: So the client aspect of the evaluation is ongoing. At what point will this data compiled through the service profiles and the client evaluation be further evaluated in the form of a program evaluation? When would the program evaluation commence?

Mrs. Mitchelson: All I can say is that it is a very comprehensive evaluation process. It is ongoing; it is being monitored by the management committee

on an ongoing basis; and it is very extensive. It is one of the best evaluative processes that has been put in place.

Ms. McCormick: I can interpret, then, from the minister's confidence in both the evaluation processes and the findings to date that there are unlikely to be any surprises which would cause her to want to discontinue service, and if there were to be an interruption of the program, at what point would those decisions be communicated to the families of the people who are the recipients?

Mrs. Mitchelson: Madam Chairperson, I think it is a little too early to tell at this point in the pilot process. I would anticipate or from what I am hearing, those who are involved are very pleased to date, but I think we have—this is one of those projects, and I think we have talked at great length in this room around how we are going to have to measure outcomes on a very regular basis for any new programs that are implemented right throughout government, and this has already started. I guess we had the foresight a year or so ago to put in place an evaluative process right at the start of the project, and it will be ongoing. Maybe this will be one of the test cases for the kinds of evaluations that need to be done to measure outcomes into the future.

Ms. McCormick: Madam Chairperson, my only concern here, and I do not intend to badger you, but is that, for example, when you are dealing with people who do have difficulty making change and for whom changes in their living arrangements can be quite stressful and for the families who support and surround them, and also, for example, from my experience with the Kali Shiva program where you cannot really take new people in because you have to have a commitment of time—I guess all I am looking for is some assurance that there will not be an immediate service disruption or interruption in the permanency planning for these individuals. With that assurance, I am willing to pass the matter by.

Mrs. Mitchelson: I think we can give that assurance that we are not going to intentionally disrupt service and cut people off service without an alternative in place. So, if it proves not to be

successful, I guess it would be a process of weaning them off this kind of a program or project and implementing something new. I think that the most important thing here is that we treat people with dignity and with respect and every opportunity we have to ensure that they are kept up to speed on whether things are working well, whether things need to be changed and whether there might be an end and a new beginning.

* (2010)

Madam Chairperson: Item 3.(c)(2) Children's Special Services (a) Salaries and Employee Benefits \$247,200—pass; (b) Other Expenditures \$83,300—pass.

(c) Financial Assistance and External Agencies.

Mr. Martindale: I would like to find out if this is the place where we get the list of funding to external agencies, or does that come later?

Mrs. Mitchelson: Madam Chairperson, this only covers the grants to one branch, one area within the department. It is not a comprehensive list. We can get that list tomorrow.

Madam Chairperson: Item 3.(c)(2)(c) Financial Assistance and External Agencies \$21,292,700—pass.

Mr. Martindale: On line 3.(d), could the minister tell us if the number of residents at the Manitoba Developmental Centre is relatively the same this year over last year or are the numbers continuing to decline?

Mrs. Mitchelson: Yes, it has been relatively stable. There has been a minor decrease, I guess: at the beginning of the year 1993-94, 559; at year-end, 548.

Mr. Martindale: What is the current plan for residents at the Manitoba Developmental Centre? Is there going to be an ongoing need for a residential facility like this, or will the department continue to try and move people out where appropriate?

Mrs. Mitchelson: Madam Chairperson, I would say that it is my belief anyway that there will always be a need for some type of a residential facility or always be a need for an MDC. We have downsized greatly, but there are some with

disabilities that are just so severe that I think it is prohibitive and not common sense, I suppose, to think that everyone has to be in the communities. So I think we need a full range of services from the very minor care needs to those that are extremely severe, and I would think, in my opinion anyway, that there will always be a need.

Ms. McCormick: Can you tell me if the intake to MDC is primarily from the community, or is it from St. Amant, for example, people who are growing beyond the age range appropriate for St. Amant?

Mrs. Mitchelson: Madam Chairperson, most of the people that come in do come in from the community, not from St. Amant. Some of them are instances where they have been discharged out to the community and are returned, not able to cope in the community. In other instances, it is some in care that are very severely mentally disabled.

Ms. McCormick: Madam Chairperson, what kind of data does the department gather with respect to the planning for the future of the Manitoba Developmental Centre? I would imagine there is an inventory of people who have high needs kept somewhere. I am interested in knowing whether or not the intake to Manitoba Developmental Centre from the community is indicative of a breakdown in the kind of support, things which had sustained people in the community. I know in the community I grew up in, quite often children would be raised in their home settings until the point where the elderly parents could not deal with them any longer, and that was the point at which they were often moved out into the Portage facility.

I am wondering if, in fact, the move to community-based, supportive Community Living Programs over the long haul is seen to eventually have the result of cutting down the demand for spaces in the Manitoba Developmental Centre.

Mrs. Mitchelson: Madam Chairperson, I think you know maybe over the long period of time we would see some decrease or downsizing, I do not think in the short term or in the immediate future. One of the reasons we have an increase in the budget line here is that we do have more needs,

and we are trying to provide more community residences for individuals so they can live in the community with the support systems around them.

You know, we are in a bit of a dilemma, and we are not going to see lower numbers. We are going to see higher numbers of need because, with increased medical technology, we are keeping people alive longer now. Where some people with mental disabilities would have died several years before, they are living longer now, and the same at the other end, children that would have died at birth or shortly after are living much longer lives. So we are seeing an increasing number and an increasing demand for services at both ends.

So I do not think in the short term we are going to see a major decrease. There will be a need for a considerable time to come, but we are putting more and more money into the community side of things. Those people that you talked about in your community that in the past might have been admitted to MDC when their parents got too old to care for them, we are hopefully going to be able to accommodate some of those in the community residences, but the numbers are not going to decrease. I think we are going to see increasing numbers.

Ms. McCormick: Madam Chairperson, I am interpreting then that the increase in Community Support is a duplicate cost for a period of time because of the other factors that you are indicating. Is there no compensable offset, for example, for prevention activities? You know, we know so much now about the importance of good prenatal care and its role in preventing disabilities and defects, or in the medical technique. You know, there were times when children were born with hydrocephaly, which can now be shunted and managed so their disability is not as profound.

I think I am finding this troubling because I was always one who bought into the prevention end and the community support end as a way of eventually doing away with, or at least drastically downsizing, the requirements for institutional care.

* (2020)

Mrs. Mitchelson: Madam Chairperson, I certainly think that is what we would like to see ultimately.

I am not sure reality will bear that out. We have an increasing incidence of fetal alcohol syndrome, which does cause problems, we know, sometimes very severe problems, from minor to severe, so we are seeing increased incidents there.

Governments at all levels—we have, along with the federal government, tried to look at ways of doing some research, and there are ways, I suppose, that we could try to educate the public about the dangers of drinking to excess during pregnancy. I am not so sure that we have accomplished that yet and that we are making any significant difference, so there is an issue there. I am not sure that we are going to see a major change in the immediate future. It is going to be a longer process and an educational process.

Ms. McCormick: Madam Chairperson, yes, it was my intention to raise some of those issues when we get to the appropriation for the Child and Family Support and the child abuse initiatives. I was wondering, then, just as a final question: With respect to the diagnostic capability we now have in terms of determining the etiology, the beginnings of some of these difficulties, is there information which can be gleaned from the intake into the Manitoba Data centre, which would give any indication of where our prevention dollars might be best spent? Is there information that is available through this or other sources to determine where, for example, some of these conditions could be prevented?

Mrs. Mitchelson: The data or the research that we do have does indicate that we still have not peaked in Manitoba, that we are still seeing increased incidences. There is an expectation that we may peak by the year 1999, but we still are increasing. There is a larger number of children with Down's syndrome. We talked about fetal alcohol syndrome and substance abuse. So those are increasing. They are still on the incline. We talked a little earlier about people living longer. I know that there are diagnostic tests that can be done to try to determine and do some early intervention in those instances.

You know, I guess when I talked about our pilot projects, I indicated it goes much beyond Welfare to Work because we have a large number of

adolescent mothers at younger and younger ages that are having babies and keeping their babies. I think we are going to have to work very closely together with the Department of Health, the Department of Education, the federal government, to look at early intervention, early child development, and also work—one of my priorities will be to see whether we cannot implement something to delay adolescent pregnancy, prevent adolescent pregnancy, and deal with the issues around some of the things that women do to themselves during pregnancy that can cause very serious problems for our next generation. So we will work at it.

Madam Chairperson: Item 3.(d) Manitoba Developmental Centre (1) Salaries and Employee Benefits \$22,843,900—pass; (2) Other Expenditures \$2,843,300—pass.

3.(e) Child Day Care.

Mr. Martindale: Madam Chairperson, I think we are going to be here for a long time on Child Day Care for a very good reason. This is my file of correspondence that I have received from child care directors, board members, parents, et cetera. I am sure that this minister and the Child Day Care office probably have 10 files that are this thick. We have both received considerable correspondence from people in the child care community.

I would like to be one to give credit where credit is due. I know that there were some problems last year that this minister fixed, and so I would like to give the minister an opportunity to put that in the record because there were a lot of problems around preauthorizing subsidy. I think the minister changed that system, and I think the child care community appreciated that. So I would like to give the minister an opportunity to tell us what the problem was and how she fixed it.

Mrs. Mitchelson: Madam Chairperson, I have said that daycare was the first issue that I was confronted with after being appointed as the Minister of Family Services. It appeared that as a result of the preaudit, and I think that all of us would agree that we should only be providing subsidy to those who need subsidy, there were some new measures put in last year.

What happened as a result, though, was that there were some backlogs and some delays and a lot of centres were experiencing that they did not have the cash flow to meet their payments as a result of the preaudit process. What happened, I guess, was that from time to time an application for subsidy would come in, and it would be incomplete. When the preaudit was done, it would be sent back out again because there was a piece of paper missing, and there appeared to be some problems.

There were some concerns, too, that at the end of the summer into the early fall as the school year starts, I guess that is the busiest time anyway for enrollment, and there was some concern—not enrollment, but, I guess, assessment of applications. Anyway, I met immediately with the child care community and with staff and listened to some of staff's concerns about what they were experiencing in the office and listened to the community about what kinds of problems they were experiencing.

I think we were able to very quickly move from a preaudit to a postaudit system whereby we could get the applications in, provide the support, and then if after the fact they were ineligible, then we would deal with the issue. I think that satisfied the daycare community, and it also relieved some of the backlog and some of the workload for staff involved.

We also brought some casual workers into the Day Care office so that we could clear up the backlog. I think we worked fairly expeditiously. It took a little while, but I think we are on track now. We have also sort of staggered the assessment process so that it does not all seem to happen at the same time of the year. There are different billing dates or assessment dates that we have been able to implement that should resolve some of those problems into the future.

Mr. Martindale: Madam Chairperson, the minister is correct; the child care community certainly did appreciate that change that was made.

I would like to ask the minister what she thinks the results of last year's budget decisions are and how they affected child care centres and family

daycare providers. I would like to start with capping the number of spaces at 9,600—no, I should say cases, 9,600 cases. What does the minister think—and she should certainly be aware of what the two communities think—are the resulting problems of this decision last year?

Mrs. Mitchelson: Madam Chairperson, I have had several meetings with the Child Care Association, Early Childhood Educators now, just as a result of their last annual meeting. They have expressed concerns regarding the cases-and-spaces issue, that there is one case allowed to be in one space now, and it has created some hardship in some cases.

* (2030)

I guess what I have to say is that we are in the forefront as a province in support of child care and the number of licensed spaces that we have and the number of subsidized spaces or cases, whatever you want to call them, and that our salaries are the second highest across the country. The salaries for directors are the highest across the country. I am not saying that they are necessarily as high as they could or should be, but what I am saying is, at this point in time, we feel that we have a fairly good system in place compared to a lot of other provinces.

When I look at Saskatchewan next door to us, we have, I think, a total budget—and I do not know whether it has increased in the last year—of around \$14 million for a province approximately the same size as Manitoba, and we have budget authority for \$47 million, so our support for child care in Manitoba is a record that we can be very proud of.

I know there are still some issues, and the child care community, the centres, raise or bring to my attention that they would like to see more subsidized spaces. They would like to see a change in the policy on the case into space issue, and I have never promised that I would be able to change it. I have indicated that we will continue to monitor the situation. We will work with child care centres. If they have spaces that are subsidized that they are not using, if they want to share them or

give them to another daycare centre, we will accommodate that.

On the family daycare side, we have been able to reallocate spaces. As certain family daycares close and others open, we are able to reallocate subsidized spaces to them. I do not think I have ever committed more than I can deliver. I understand the issues and the concerns, but I do want to indicate that we have a budgetary allocation. It is a fairly major one, significant as compared to other provinces across the country. We will continue to work, to monitor, to meet, and if there are some issues or some decisions that we need to make to change things within the budgetary allocation, we will attempt to do that. We may, through some of the pilot projects, look at some innovative new ways of providing child care.

I indicated, I think, yesterday, and I will say again, that I believe there is a role for early childhood educators to play, not only in the daycare setting but right throughout. As we look to early intervention, early child development, I believe there is a role for them to play in that area, too. We will pursue that and open the dialogue around. As a matter of fact, I have with individual daycare directors, or early childhood educators, let me put it that way, I have met individually with them.

I have had good, open and frank discussion, and if there is an opportunity to look at different ways of doing things—another area that they indicate and I know for a fact is a problem, is the flexibility in the hours of child care. I guess family daycare homes do provide a little more flexibility, in some instances, for shift workers or weekend workers in centres, but there are not too many centres now that do provide—well, some do provide evening, but not very many 24-hour care or seven-day-a-week care.

There is the odd centre. I know that one in Portage we have met with has more flexible hours to try to accommodate shift workers and part-time workers, but there is an issue there because, as I indicated, as we look to where the jobs might be into the future and if we are looking at the call centres, which seems to be fairly major activity in

the province of Manitoba, we are not necessarily going to see eight-hour-a-day, five-day-a-week employment opportunities. They will very often be shift work and weekend work.

Mr. Martindale: The result of this government's decision to limit the number of cases to 9,600 is that child care centres cannot share their spaces like they used to. When they lose children, they cannot replace them because of the cap of 9,600, and some centres having waiting lists for their subsidized spaces. So this has had quite an impact on child care centres. I would like to ask the minister if she is prepared to reconsider this decision and at least make a change from 9,600 cases to 9,600 spaces, which, the child care community tells me, would be a positive change.

Mrs. Mitchelson: Madam Chairperson, at this point in time, we are going to—I think I have indicated in the past, we still have the 9,600 spaces that will allow for 9,600 cases at this point, and that will not change in the near future. We do know that there are centres that have subsidized spaces that are not filled, and if there are arrangements that can be made, there are some centres that have indicated they could use more subsidized spaces if there is an ability for two centres to work together.

In some of the centres there have been subsidized spaces that have been vacant for a considerable length of time. Maybe there might be a willingness for them to share some of those spaces with a centre that might need and might be able to utilize the subsidized spaces. So there is that opportunity there. We do know that all 9,600 subsidized spaces are not filled and have not been filled completely.

Mr. Martindale: I would like to ask the minister what she thinks the effect has been of raising the parent fee from, I believe, \$1.40 a day to \$2.40 a day. What effect has this had on child care centres and on family daycare providers?

Mrs. Mitchelson: Madam Chairperson, with last year's decision, of course, we did make a conscious decision, a policy decision to ask those that are fully subsidized or subsidized within the system to make a financial contribution of \$1.40 a day. You know, we have so many dollars within

the daycare budget. We have, as I indicated, \$47 million budgeted, or close to, for Child Day Care; and, if we increase that budget number considerably, again I ask the question, where do we take those dollars from, from somewhere else, or do we ask for a small contribution from those that are receiving subsidy for a commitment to support for their children?

Mr. Martindale: I can tell the minister the effect of raising the parent fee from a dollar a day to \$2.40 a day. It had a devastating effect, particularly on child care centres in the inner city where many children were withdrawn because they could not afford it. The result was that some centres have laid off staff. Some centres, regrettably, have rolled back wages. Some centres have vacant spaces. It has had a devastating effect on child care centres because many, many parents cannot afford to pay \$2.40 a day, particularly if they have more than one child in a child care centre.

* (2040)

For child care centres to roll back their wages when early childhood educators are, I think, the lowest paid profession in this country is extremely regrettable. This is a community who for years have been waging a fair-wages campaign and are trying to get some recognition and some salary enhancement for what is a very valuable job and occupation and function in our society of providing child care to children. I am sure that the boards who made those decisions made those decisions very regrettably. No doubt they made those decisions because they felt they were forced to. They had no other choice. So the individual early childhood educators are making a sacrifice that they really should not have to make.

The minister says, where would I get the money? Well this budget has \$23 million in grants and tax concessions and giveaways to corporations. That is where our party would take the money from.

Hon. Donald Orchard (Minister of Energy and Mines): Not that corporate welfare bum stuff.

Mr. Martindale: The minister from Pembina (Mr. Orchard) says, corporate welfare bums, and yes, that is where we would find the money.

Mr. Orchard: Come on, that is mid-sixties . . . rhetoric. Come on.

Mr. Martindale: Well, things have not changed since the '60s for corporations. Things are only getting better for corporations when it comes to some levels of government.

Could the minister tell us what the effect was of reducing the number of weeks of child care for job searching from eight weeks to two weeks?

Mrs. Mitchelson: Madam Chairperson, I am extremely troubled from time to time when I hear members of the opposition talking about some allocation within a government department somewhere, and I am sure that every critic uses that same dollar allocation over and over and over again when they talk about finding solutions and where they might find money to provide additional support.

I think I have heard comments in my own department alone from the opposition critics that might indicate that they would spend more money in most areas if they had the opportunity, and we would love to, too, but we have made a conscious decision as a government that we are going to try to manage and balance things in a fair manner that would provide opportunity for increases where we believe there is most vulnerability. Those areas I have said in my department are the child welfare side and on serving those with mental disability, so those have been the priority areas that have received increased funding.

We were able to maintain funding on the child care side of the department at last year's level. I know that, when I first met with the child care community after I was appointed as minister, there was extreme concern that there would be reductions, major reductions this year in child care. I am pleased to say that we were able to maintain funding in still very difficult economic times.

We have had major increases in this area, and my honourable friend talks about a worthy wages campaign, and we met the child care community, as did both other caucuses regarding that issue. It was one of my colleagues who asked the direct question, where should the money come from? Do you want us to tax people more, or do you want us

to ask parents to pay more? Or where would you like us to get the money from?

There was not an answer, and that colleague of mine who asked that question has a daughter that works in the child care community. He believes that she is a very hard worker and a very committed and a very dedicated person, and that probably she should be earning more money, but the direct question came again, where are we going to get more money to pay her more money? Are we going to raise taxes, or are we going to charge parents more? Where else do you get that money from? There is no easy answer to that.

I have met with the child care community, and I asked that same question. Can we raise the parent fee? The answer is no. Can we change the standards? The answer is no. We are not prepared to raise taxes, so, I mean, what are the options and what are the alternatives?

I have to say, there are a lot of very committed people who work in our child care community. Early childhood educators play a very important role in our community. You know, there may be expansion of a role for them to play as we look at early intervention, early child development, and what leadership role they might play in helping us to provide that kind of a program or that kind of a service, but, you know, no easy answers, no easy solutions.

We do know that it is a fairly costly venture to maintain children in our child care system today and that parent fees have been raised. I do not think we are at a point where we want to raise parent fees any more than we have at this point, and we are prepared, we made a commitment in this year's budget, to maintain the status quo. I believe that when you look at the record of other provinces across the country, we fare fairly well when it comes to support for child care.

Mr. Martindale: The result of reducing the number of weeks of child care for job searching is that many post-secondary students pulled their children out of child care, were unable to find employment, and, of course, when they did go back to school or did find a job, it was very

difficult for them to re-enroll their children in child care because of the capping of 9,600 cases.

* (2050)

Unfortunately, all of these problems are interrelated. When there are fewer students, for example, or people searching for work who have children in a centre and other parents have withdrawn their children because of the increase in parent fees, once again, you have vacancies, you have staff layoffs, wage rollbacks. Regrettably, all of these problems are interrelated.

The minister says that this was a status quo budget, but that is not really true. There is \$300,000 less in this budget line this year than last year because there has been an attempt to save money by changing the attendance requirements. I wonder if the minister could explain the rationale for this decision.

Mrs. Mitchelson: Madam Chairperson, I am not sure if there was a question at the end of those comments.

Mr. Martindale: Yes, I will repeat my question. I asked the minister what the rationale was for reducing the budget by \$300,000, and that is the amount of money the government hopes to save by changing the attendance requirements.

Mrs. Mitchelson: Madam Chairperson, I have tried to explain that, when I was asked those questions in Question Period, to my honourable friend.

Maybe I will take a little more time right now to attempt to explain that we feel that the number of absent days allowed in the past was I believe 25 percent of the total number of days.

When we looked at ways where we believe we want to find more efficient and effective ways of providing service, you know, we looked at this area and thought, is there something lesser that we could provide? I think we are down to 15 percent now with the decision we have made, and that still allows for 39 absent days in a subsidized year.

I think I have equated that to four weeks of holidays plus 19 sick days, and the taxpayers of Manitoba will still provide support and subsidy for any child in the subsidized system who is out of

child care for 39 days in the subsidized year. I think that is adequate and I think that is fair. I think you would find that most Manitobans, most Manitoba taxpayers, would find that this is fair. I know that not many of us even have the opportunity for four weeks of holidays.

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

We have indicated also that, on an individual basis, if there was an issue around a communicable disease where children for extenuating circumstances had to be absent more, we would take those individual cases into consideration, but I think that 39 days is fair and adequate. We will certainly monitor the situation and see how it goes.

Ms. McCormick: Mr. Acting Chairperson, before I begin with my questioning, I just want to note the significance of the moment, which I am sure is not lost on the deputy minister who was the first director of the provincial Child Day Care program. At the time when this program was introduced, I was the director of the centre that was profoundly impacted by the change, so we have been nemeses for some time, and I want just to note the moment. Thank you.

I want to begin by testing out the current sort of perception of the provincial Child Day Care program. What I am picking up from the discussion and from the justification for some of these adjustments that occurred in the 1993-94 budget year is that we seem not to have resolved what we view as the use of a Day Care program to our community and to our province.

When child care began in this province, it began as a welfare alternative. It was something that was made available for the children of single parents, funded through a program called Special Dependent Care, which was clearly a way of encouraging women off welfare and into employment.

In 1973 and '74, when we went through the beginning of the provincial Child Day Care program, we moved to an approach which broadened the target market, if you will, of daycare services beyond simply those women who were alternatively going to be raising their children on

welfare. The net effect was to in fact legitimize daycare as a social utility, as in fact something which permitted women to participate in the labour market and to make their contribution.

Now I think we are at another time in which we cannot quite figure out what we want. The welfare alternative approach seems to be coming back, as it is recognized that we want to do everything we can to get single mothers back to work, and we recognize the legitimacy of child care supports as essential to doing that. You cannot park babies the way you can park cars and expect that they will still be there at end of the day. However, we are no closer to a goal of even making daycare a luxury of the working poor with the adjustments up of the nonsubsidized amounts from \$1 to \$1.40.

I was wondering, just as a beginning question, if you could identify through the department resources what is now the vacancy rate being experienced in the centres and in the family daycare spaces, given that we do not have an availability of space which is anywhere near the age-eligible number of children who, in theory, should be accessing the programs.

Mrs. Mitchelson: Mr. Acting Chairperson, I am told that the vacancies fluctuate from month to month, and it varies from centre to centre, that we do not capture information necessarily on all spaces or all centres depending on whether they are subsidized or—am I making sense?

An Honourable Member: Try again.

Mrs. Mitchelson: I think I have it. If they are unfunded we do not have information on what spaces are full or not full, but I guess the short answer is that it does fluctuate from centre to centre and it fluctuates from month to month. We do not have that information at this point in time that would tell us what the vacancy rate is presently.

* (2100)

Ms. McCormick: So what I am understanding is that you have no way of telling among those centres and family daycare homes who participate in the provincial family daycare program, what even the monthly census of occupied spaces is, only those that are in subsidized spaces.

Mrs. Mitchelson: Yes, I think I may have it. You will have to excuse me, but I was not understanding funded versus nonfunded. My understanding is that we have funded centres which get a grant and a subsidy, and we have nonfunded centres that just get subsidy, but they do not get grant funding. In the nonfunded centres, apparently we do not have information on the—those that are funded, we have not got a compilation of the average vacancy rate here. We can attempt to get that for you, but it does fluctuate. Does that make sense? Am I getting—

Ms. McCormick: Can the minister give me an indication of what has been the net effect of the reduction of the number of licensed spaces? Can you tell me what was the number of licensed spaces at the peak time prior to the 4 percent reduction in spaces, and what in fact is the number of licensed spaces now?

Mrs. Mitchelson: Mr. Acting Chairperson, in 1985-86 there were just over 14,200—well, I will give you the exact number, 14,227 licensed spaces and that has increased. I guess the highest was in 1992-93 at 19,115; '93-94 it is 18,988 licensed spaces.

Ms. McCormick: So I understand then, that at the height there were in excess of 19,000 spaces, and the current licensed spaces within the census of the provincial Child Day Care program, is the 14,000 number or the 18,000 number?

Mrs. Mitchelson: The last number for 1993-94 was 18,988.

Ms. McCormick: So there are now currently 18,988 licensed spaces in the provincial Child Day Care program at this time.

Mrs. Mitchelson: Yes.

Ms. McCormick: Mr. Acting Chairperson, given the population data, the demographic data that is available, can you tell me what would be the percentage service rate to the number of age eligible children with mothers in the workforce? Is there any attempt to gather the data to determine what this represents in terms of the potential demand for daycare?

Mrs. Mitchelson: Mr. Acting Chairperson, we are just checking for the latest Stats Canada report and we will provide that as soon as I can find that information.

Ms. McCormick: Now I want to turn to the cases and spaces capping. This I think, of all of the decisions—well, I would say along with the raising of the unsubsidized amount—has had the most profound effect on the viability of many child care operations, both family daycares and the centres.

My understanding is that what this has had the net effect of doing is removing the flexibility for centres being able to meet the specific needs of families and communities. For example, if you have a space and you have a family who needs a half day in the morning and another family who needs a half day in the afternoon, you, as a centre or a provider, have to choose whether you are prepared to serve the one child as a case and take up a space, which means you are sacrificing a half day of revenue, or whether you are simply going to say no to both parents and look for one child to fill one space.

Of all of the centres, particularly the centre in Portage la Prairie, which had a wonderful reputation for being very in touch with its community needs, we are now understanding that the Westend Child Care Centre in Portage la Prairie is suffering and has a very high vacancy rate from the inability to be—because of the flexibility that simply is not there anymore.

Has there been any kind of analysis done with respect to vacancy rates and to the consequence of the cases and spaces impact on the occupancy rate of centres and therefore the financial viability of some of these centres?

Mrs. Mitchelson: Mr. Acting Chairperson, I am told that today about 5.1 percent of the cases are being utilized by part-time children in centres and homes. Prior to the cap of 9,600 last year that was implemented, approximately 6.5 percent of the caseloads were utilized by part-time children. So there has been a little change, and there still are those spaces that are being used by part-time cases.

* (2110)

I do want to indicate to you that, as we move ahead into attempting to deal with some of the issues surrounding single mothers and trying to get them off of welfare and into the workforce, we recognize and realize, as we talked about earlier, that there might not be the ability for full-time employment or even full-time training, and there might be a need for some form of additional part-time service.

So I think in the context of looking at the pilot projects and seeing what number of single mothers we can realistically move off of welfare and into the workforce or into training opportunities, then we are going to have to see what we can do to accommodate those children.

Ms. McCormick: I think that the viability and the future of the child care system in Manitoba is going to depend on our returning to a time when we allow centres some flexibility in terms of whom they accept. Your overhead costs continue regardless of whether you have children there. If you have an epidemic of chicken pox or whatever and it wipes out your child population, your staff still come to work in the morning, and what we have, I think, is a very telling problem or three things that are causing a great deal of grief to the child care community. If one or more of these things could be fixed, I think it would go a long way to regaining some of the stability in the child care community.

Obviously, the cases and spaces is one very important one, because centres need the flexibility to serve their community, and when you take an artificial approach like capping, you are not going on need or demand, you are simply going on somebody's external constraints, on dollars available, and it takes child care out of the opportunity to be flexible to meeting the needs of families and communities.

The second thing is the unsubsidized portion. Moving from \$1.40 to \$2.40 had the net effect of precluding many parents from being able to use the service to the point where now the child care system has priced itself out of the range of affordability for many working poor people, and

that, I think, is going to continue to have a profound effect.

The third thing is the bureaucratic barriers. You talked about the subsidy application process. The woman who works for me is a single parent with four children, and since I have employed her as my constituency assistant in December, I think we have filled in three subsidy application forms, and as her employer, I am very willing to do it, but I question whether the system really has to be so cumbersome and so awkward. Every time, because she works half time for me and half time for somebody else, one of us adjusts her salary, it forces her back through the process of reapplying for her subsidy, and even when it is approved, it is only approved for a short period of time.

So what I am getting to is could you consider re-examining each or all of these three things, as a way of taking the pressure off the child care community and stabilizing it. There are enough difficulties now. I think if I had my pick, it might be the cases and spaces thing that I would give my first priority too, simply because the greatest amount of new employment being created in our communities right now is in the service industry, and much of this is part time and shift work. In fact, the system is now oriented to discriminating against those parents. The best kid for a daycare centre to get is a full-time, fully paying parent.

Mrs. Mitchelson: Mr. Acting Chairperson, I was interested in the comments just made by my honourable friend, and I have indicated that, you know, as we move through looking at pilot projects, and we talked about the types of jobs that might be available in full-time employment that might not be available, we might have to assess the cases and spaces issue. What the resolution to that would be at this point, I could not tell you, but I am cognizant of the issue, and it has been raised as a concern to me.

The one around the artificial cap, I rather question those comments. You know, we have in our system today twice as many subsidized spaces as we had when we came to government, a major increase, because that was a very conscious decision of ours to allow for flexibility within the

system so that parents could take that subsidy and use it in the place of their choice, and that did cause a major increase. We saw numbers grow very dramatically very quickly.

You know, I question, if there was no cap, do we just let the cost of our system for child care spiral considerably? We have increased, almost doubled or over doubled the amount of dollars that we spend as a provincial allocation on child care. How much can we afford to increase that? How can we let it continue? Where do we find the money from, if we are going to allow that to happen?

There comes a point in time when there is a certain dollar allocation we can spend, and do we, as we said, increase the daycare budget by increasing taxes for Manitobans? Do we charge parents more? I am being told that parents at the present time cannot pay more, but there is always that option.

I guess I would like to know or hear comments from my honourable friend on where she might think we should find the dollars, if we are not prepared in our budget allocation to spend any more dollars on child care, because we are not going to raise taxes any more, and we are attempting to maintain the status quo, which I might remind my honourable friend is considerably more than a lot of other provinces spend on child care. I mean, is there something wrong with the system?

I have talked to the community, and I have asked the direct questions, indicating first and up front that we are not prepared to raise taxes anymore. Where do we find the dollars from? Do we change the standards that presently exist? The answer to that is no from the community. Do we charge higher parent fees? That answer is no. So I guess my question, you know, the question I asked the community, the question I might ask my honourable friend is, where does the money come from if we are going to look at more spaces and more cases? I know you have not personally raised the issue of higher wages, but I know the critic from the NDP party did, so I guess I would just like to have my honourable friend comment on that issue and see where her policy might be.

* (2120)

Ms. McCormick: I think that the answer will come partly from the information you are going to get. We focus on the cost of doing it as opposed to the cost of not doing it, and we have talked earlier on about how we can do things that change the life experience of people and can alter the cost to society of our failure.

You talked in your opening statement, and I talked about some of the conditions which occur because we do not spend the money early enough, and we do not spend it in the right way. It never seems to bother us that we fund a public transportation system, a bunch of buses that run around the city empty. That does not ever concern us, and yet we have a take-up rate in our province for child care which in my estimation says that there is one funded space for every four or five children that need it.

Now what happens to those kids who do not get care in a quality environment? They wind up being the children who are damaged, who are abused, who are neglected. Granted, we have made great gains in this province, and it is to our credit, both as advocates and as legislators. I will not apologize for the gains that we have made, and I do not hear you apologizing for them either.

But when I was going door to door in my campaign, I encountered a woman who wanted to talk to me about the fact that her children had been apprehended by Child and Family Services, and the reason she gave me was that she was alleged to have abused them. I looked and the woman was literally surrounded by little children. So I said to her, well, I am pleased to see that you have got your kids back. Oh, those are not my children; those are the children I babysit.

Now, those kids have got to go somewhere, and if we are going to ask women to become taxpayers, which is really what we are, we are taxpayers, we who raise children and who require child care—we are not tax receivers only, and I think that is the dimension that gets lost in this discussion.

So I think that we do pay a very heavy price for not doing it right, and so long as we are going to have the debate about where is the money coming

from, we have to put in the other side of the equation and that is: What is the cost of not doing it? What is the cost of forcing families into unstable care arrangements? What is the cost to the family? What is the cost to the children?

I know that you have given me the opportunity, and I am grateful for it, to give you my insights. It is nice to be able to say something without being compelled to ask a question at the end of it, but I do think we have to look at some of these other alternatives.

Mrs. Mitchelson: Is there a willingness to take a five-minute break?

An Honourable Member: Yes.

The Acting Chairperson (Mr. Sveinson): Agreed.

The committee recessed at 9:24 p.m.

After Recess

The committee resumed at 9:33 p.m.

(Madam Chairperson in the Chair)

Madam Chairperson: Order, please. Will the Committee of Supply please resume. We are discussing 3.(e) Child Day Care.

Mrs. Mitchelson: Madam Chairperson, I was very interested in the comments that were made just a few moments ago by my honourable friend about subsidy for the transportation system in the city of Winnipeg. I got a sense, somehow, that she might not be extremely supportive of subsidy for the transit system in Winnipeg and that maybe a refocus or a repriority or a shift to additional dollars into the daycare system might be an option or alternative that she would be supportive of. I would just ask whether she might want to comment on that.

Ms. McCormick: Madam Chairperson, my intention in my remark was illustrative rather than definitive. I think that we begin discussion about how much it costs us to serve one in four of the age-eligible children whose mothers work outside the home and complain that it is too much. Then, we go on to wonder, where are the three and four children, who are not being served, getting their care? Whose responsibility is it to ensure the

quality of that care? Obviously, it comes back to a presumption that it is parental responsibility, but I am just saying that we make all kinds of irrational decisions all the time which have, in fact, far less significant consequence.

If we had a public school system, for example, which accepted, which tolerated that we would only educate one in four children, then we would be losing considerable ground. Instead, we have not kept pace with changing times. Madam Chairperson, 63 percent or 68 percent, depending on whose numbers you believe, of mothers of children under the age of school entry are employed outside the home. That is a fact. There are no other mothers there picking up the slack. That is a fact, too, that we have a solution, a child daycare program which may have been relevant to its early days in the 1960s but it is not relevant anymore. I am suggesting that we may have some irrelevancies in other places. We forget. You know, we talk about the poor taxpayer who has to pick up the tab for the care of other people's children, forgetting that the very reason that those people require care is because they are taxpayers.

Women are paying a double price. They are still doing much of the domestic work and the child care work, and they are making contribution to the gross national product and making contribution through their employment, and they are paying taxes. It defies logic that we would say, yes, you have to do that, and yes, you and your children have to pay the price for the privilege of being a taxpayer.

So again, I know this is the game we play in the House. You get somebody on the record saying yes, the member for Osborne thinks we should cut back the public transportation system. Well, I think the member for Osborne would like to examine every expenditure we make to determine whether or not we are in fact achieving something useful from it.

Of all the things we can achieve something useful from, I honestly believe, and this is where we started with this debate process, that a positive early childhood experience for the young children we bring into the world is probably going to give

us our biggest payback. The long-term research is clear, that if you have a positive early childhood experience, it correlates positively with finishing high school, not becoming a statistic of an unwed mother, not winding up in criminal activity, and not winding up in jail. Wow. What else could we—all of the boot camps, all of the pregnancy prevention activities or pregnancy delay or whatever the new word we are giving to it, all of those initiatives are failing us. We do know that what does work we refuse to fund adequately to meet a significant population.

You know, I think that I want to go on the record that I am sensitive to the position you are in. I remember the dilemma that the Minister of Family Services, who was one of the best advocates that child care ever had under the NDP government—Muriel Smith was a very committed advocate, but she had to fight the good fight within her caucus. I think we need to have this discussion. We need to get it out, and we need to quit protecting the taxpayers from the reality of not doing it, because the taxpayer is going to pay more in the long run.

Mrs. Mitchelson: Madam Chairperson, I have difficulty getting my teeth and my tongue around the toffee, but I want to thank my honourable friend for Burrows (Mr. Martindale) for sharing his birthday gifts with us.

I do want to indicate that I still think there is a responsibility, when you make a determination to parent a child, that there is a responsibility to provide adequate support and nurturing and care and love. If, in fact, there is a decision made, and in many instances there has to be a decision made, that two people in one family will work to be able to generate enough income to live in today's society, that there are some decisions that need to be made and some choices that need to be made around what kind of care will be provided for your child.

I know that I was extremely fortunate as a mother and, before this life, only a part-time working mother, to have the most wonderful mother in the whole world who would look after my children at the drop of a hat, keep them

sometimes from week to week, and when I got into this business—you can understand why not many women with young families enter the political arena, because when I ran the first time for election, my son was four years old.

* (2140)

When you talk about a working commitment, I spent five weeks on the campaign trail, morning, noon and night, and saw my son only on Sundays when I went over to my mother's to get a home-cooked meal. She managed to nurture and support and to love my son and care for him like no one else could. She was a woman with only a Grade 8 education also, did not have the opportunity to work and yet a very intelligent woman who had much to contribute. So I was fortunate in that respect.

Unfortunately, she died just two weeks before the NDP government fell, and we were into another election, and I will tell you that I miss terribly that support system, that network I had surrounding me during that election campaign. I only began to realize how important it was to have someone there for you when you needed them, that you could depend on and trust. I still think there is opportunity out there in the community for that kind of activity, and I do know that I have been able to find substitutes, in some instances not quite as good. No one can ever replace that kind of commitment based on a real love commitment and a family situation, but there are choices that people have to make. I have said many times before, too, that it is very difficult.

There is not a child care system in the whole world that would accommodate the needs of a politician, especially a minister in the portfolio that I had previously for five years, where I could have been busy seven days a week, morning, noon and night, attending functions and activities, with the number of invitations I received on a regular basis.

It has been a very difficult time, and I can certainly understand the need for good child care and the need to feel that your children are safe and secure when you are busy working and do not have the ability to be there all of the time. I have been fortunate enough to find people who can come into

my home, who have been able to substitute in many instances, and my children have, to date, survived and grown and been nurtured.

I think there are those choices and options that people do make outside of the child care system, from time to time, that are very good arrangements, and there are very good and caring people out there that can provide that support. As I said, there, in some instances, is not the flexibility within the system to have the hours available through a formalized child care system that accommodate the hours that are needed for a person to work.

Reality is today that we are going to see more and more women in the workforce, as time goes by, and there is going to be a need. It is not a need that is unique to Manitoba. As I have indicated before, we spend a fair amount more in Manitoba than a lot of other provinces do per capita on child care. If there is the sense that there is something missing in Manitoba, and the question has come up, can we afford not to do it? That is a very valid question, but if we are experiencing, or those questions are being asked here in Manitoba, I question what is happening in other provinces. Obviously, they have determined that, at least to this point in time, there is a lesser priority for child care funding.

I guess my comments would come around the last federal election campaign and the red book, that did indicate there would be a national child care strategy. As I said, the issue is not unique to Manitoba. It is an issue that surfaces right across the country, and I would like to hear both opposition parties' comments on what they believe the federal government's role should be in a national child care strategy. Have you discussed that with some of your colleagues in Ottawa and asked the questions of where that is at and whether there is a plan in place to develop a national policy that might benefit all Canadians?

Ms. McCormick: Madam Chairperson, yes, in fact, we have begun to talk about what could be. It is really intriguing to me, because this has the double advantage, one, of being a massive job creation strategy. When you think about the

number of children who are not currently served, we do not have enough child care workers or early childhood educators in this country to even begin to put into place the number of service units that would be necessary to meet the demand across this country. So I recognize that my patience is going to have to be tempered with some developmental strategies in terms of getting the system able to move to the social utility point, which I see it coming. But I think that the federal government has had the foresight to recognize that it has the advantage of being a massive job creator and, secondly, that it has the advantage of being a massive problem solver, that we have the advantage of creating useful jobs.

We tend to focus on job creation in areas that do not necessarily produce anything useful for our society. I mean, we have contracts; we are talking about bringing in telemarketers, you know, hiring people so they can phone us up at dinnertime and badger us to buy stuff we do not want or give to causes we have never heard of. One has to question whether there is any utility from those kinds of activities. But to provide developmental and supportive care to children and to take the stress off families may in fact have a very powerful long-term effect to the betterment of our society.

So these are the kinds of conversations that we have been having, but we have to recognize that constitutionally daycare, along with other services, does rest primarily with the provinces. So whatever is done at the federal level has to be done either as a usurping or as a complement to or in co-operation with, and that is, I think, the ideal, the latter, the co-operation strategy with the provinces. But I am very excited about this, and I do think that it has the potential to be a win-win situation.

Mrs. Mitchelson: Madam Chairperson, I think I would agree that the federal government would have to work with the provinces around this issue. Just with some of the other comments and discussion that we have had through the Estimates process here in the last couple of days, you know, we have talked about major social safety net reform. The federal government has embarked upon a plan, a new way of doing business. It seems to me that early child development, nurturing and

care for children, is something that maybe should be looked at in the whole overall context of social safety net reform and what implications there might be to our whole social safety net as a result of early nurturing, early stimulation, early child development. It is a component that should not be left out.

* (2150)

So you have given me some ideas on how I might approach our next federal-provincial meeting and comments that I might make to suggest that we maybe have the federal government's vision put forward on what role there might be for early childhood educators in the whole process, because I think what we are seeing is that we are having to spend a lot of money on the social side of government as a result of some of the things that have been missed in the past that we have not done, and we are dealing with problems today as a result of not enough up-front early intervention. So I think that we could probably develop some of our comments at the next federal-provincial meeting around that issue.

Ms. McCormick: I think this is probably one of the better discussions that we have had in this Chamber since I have been elected, and I really am—I was having a bad day yesterday, but today I have decided that I maybe like this business after all.

I would like to just put on the record that in fact other jurisdictions, other countries do it. In France, which has the same maternal employment rate as Canada, approximately 56 percent of women are in the labour force. Their availability of space rate is 95 percent of funded spaces available for children between the ages of three and six and for infants it is 20 percent.

I think what we should be doing, in addition to having a discussion about whether or not we want to move in the direction of a universally available system, is we ought to also think about the other side of it. If it is, in our wisdom, not to be a really universally available system, then what kinds of things can we do to create the climate in which mothers of young children truly have a choice? If we do decide that we want kids to get good care,

then I am presuming we should allow for the option for that care to come from the mother for as long as possible or as long as she chooses to be the primary caregiver.

At the same time as we are looking at the availability of community-based child care resources, I think we also have to put emphasis on providing those kinds of supports for women who choose to stay home. I am presuming we are not going to go in the direction of saying that women should always go out and work. I think the other thing we are going to be looking for is some of the choices that make that possible, whether it is through either guaranteed annual income scheme or some kind of tax relief for parents who do stay home to nurture the children, or whatever.

As we have been focusing on one side of the discussion tonight, I just would like it to be there. For many young mothers it is absolutely the best thing that they go out and get jobs and work; for others it may not be the best thing. We always have to retain that option for them to be able to care and nurture their own children.

Mrs. Mitchelson: I guess there is an issue here then around child tax credits and how we deal with those or how the federal government would deal with support for those mothers who choose to stay at home and look after their children. I believe that is an issue they are going to be looking at, and I would hope they come to some resolution or some policy direction in that area.

But I think the comments that have been put on the record tonight are valuable comments. I question whether the comment made about "can we afford not to" should only be applicable to the provincial government and not the federal government. I think at both levels of government we have to think that if it is the right thing to do, let us look at it in partnership and see whether we cannot put in place or provide a system that will better serve the needs of children and in families right across the country.

I guess, just one other comment I would like to make before I close is that, you know, we talk about a parent having the right or possibility of the choice to be able to stay at home if they should so

choose or to go out to work. I still think it is very imperative that we still allow parents to make the choice, that if they do want to work, they can choose the type of care for their children that they believe is in their children's best interests and best serves their needs.

I think we have to put it into context also and still allow parents to make those ultimate decisions on how they want their children to be cared for and in what kind of a system.

Ms. McCormick: Just as a final comment, I agree with that entirely. My only concern though is that it be an informed choice and not a default choice, that, in fact, the choice not be made from an economic perspective of, what can I afford. Unfortunately, that is the way parents are choosing now. I might like to put my kid in a daycare centre but at \$2.40 a day, and I have three kids, it is just not going to be possible. If we are going to empower parents to make good decisions, then we have to put in the supports which make a range of decisions possible rather than limiting the range simply from an economic perspective.

Mr. Martindale: I would like to read into the record some of the content of a very small sample of letters that I have received in the last year and also to ask some questions based on these letters, because they raise very legitimate concerns about the problems that have resulted from this government's budget cuts.

The first one I would like to quote from is from the Day Nursery Centre and specifically the Gretta Brown Unit, which is in the north end, in Point Douglas.

The writer says: Of the 46 children attending, 29 are special needs children. These children have been identified as needing special assistance by public health nurses or family services workers, as are the special needs children at other daycare centres. These special programs are an important part of a school readiness program. Over 70 percent of the children come from single-parent families, many of whose moms are in schooling programs. Ninety percent of our children are from low-income families or families on social assistance. The extra \$1.40 per day, \$48 per billing

period per child, will make it impossible for many of our parents to keep their children in the daycare program. Student moms will also have to leave school to be at home with their children. Many of the mothers are particularly lacking in parenting skills, making the children even more at risk than they are presently, with little hope of achieving even normal potential. What seems so little, \$1.40 per day, can make a vast difference in the lives of these children. The long-range implications for our community and society are very poor.

I have two questions rising out of this to begin with. Some child care centres have contacted me, saying that they are having difficulty getting special needs categorization or funding for special needs children, and I am wondering if there has been any change in policy in that area.

Mrs. Mitchelson: The policy has not changed. We have set up a review committee to review each special needs case, but the policy has not changed.

Mr. Martindale: The other question that arises is: Why has this government increased the parent fees for children in child care which, in the case of parents at the Gretta Brown Unit, is causing them to withdraw from school to stay home with their children. I know it was last year's budget decision but this minister might have reversed it.

When we have a minister who talks extensively, as she has in these Estimates, about the need for child care in order to help single parents get back into schooling and employment training programs and the paid workforce—in fact, earlier in these Estimates the minister talked about the need for child care as part of the single parent project—it seems to me that the same goal could have been achieved, or could be achieved, by simply changing the rules in the child care system, in child care centres and family daycare homes and allow more parents to enroll their children in child care so they can go back to school or continue in school, or take upgrading programs of one kind or another, or, indeed, enter the paid workforce.

Why is the minister and her government making regressive decisions in one area, namely in child care, and then announcing what is supposedly a new policy, new program and a pilot project part of

which is intended to achieve the same goals that could be achieved through the existing child care system?

Mrs. Mitchelson: Well, Madam Chairperson, I guess one of the reasons for doing or embarking upon pilot projects is to test out new ways of doing things. We have some budgetary decisions that have been made and they will continue, but I will say that along with the pilot projects may come a new focus and a new way of delivering service. We will test it on a pilot basis and if it seems to be working appropriately, then that might be the change or the focus we might want to implement across the board.

* (2200)

I mean we talk about having the child care system be the sole responsibility for being able to train or develop our children, and I think we are missing something.

I would just like to speak briefly about a sense that I have that there is an important job for us to do to teach parents in some instances how to parent also. That comes along with—you know eight hours in a child care setting is very positive. It is a very positive experience, but if there are 16 other hours in the day where a child is not being parented, I think we have to take a look at how we work with the mother and the child.

So often I hear when we look at our adolescent moms, the 13-, 14-, 15-year-olds who are becoming pregnant and keeping their babies, I hear the comment made by public health nurses who have a concern that we have babies having babies, that for some reason or other they tend to become pregnant because they feel they need something to love and to nurture, not really understanding there is a responsibility that goes along too.

I can understand if they come from an abusive situation or if they are in a situation where they have needs themselves, but at an adolescent age I do not think they have the ability to reason through what responsibility goes along with parenting that child. To take that child out of a circumstance or a situation and put them into a child care centre for eight hours of the day and then put them back into a situation when we have not done any work with

that young mother, to try to teach her how to parent and to nurture and to love that child, I do not think we are going as far as we should be going.

There are some real issues and real concerns for me. You are going to have another generation of children growing up who have never been parented, and I think that is what we are seeing with some of our 13- and 14-year-olds. They have never been parented. They do not even understand what it is to be parented, and they are parenting, and that is going to be passed on from generation to generation. So I have some real concerns that we are not going far enough, that our programs are not working in a holistic way with the family unit and that family unit is the young mother and her baby.

We can focus on the mothers or try to get some part-time support for that child, but I do not think we are looking at the big picture. I do not think we are looking at how to fix the problem and ensure that mother knows how to parent her child and will do that. So there are some real issues here that we need to look at and new ways that we have to focus our energies and our resources into the future.

Mr. Martindale: I agree with the minister's concern about adolescent parents. I just hope that in looking for new ways to do things, the minister does not act on her suggestion during these Estimates that single parents might look after other people's children half a day and go to school half a day. Then what you are doing is you are setting up unlicensed child care when there is already an excellent system in place of licensed child care.

Mrs. Mitchelson: I wonder if I just might ask a question for clarification, because I indicated before there was certainly a role for early childhood educators to play, and would there be an opportunity or have members of the opposition thought about an opportunity where an early childhood educator could supervise the situation where mothers learned how parent, learned how to look after their own child and learned how to look after each other's children on a part-time basis while there were training opportunities or on the job training.

I would ask for comments on that, and see whether there is an expanded role for early

childhood educators with a different focus and a new way of doing things with the opportunity then not only to look after that child and teach that child, but to work with the mother and the child.

Mr. Martindale: Yes, we are both prepared to comment on that. I would say yes if the plan would be to use early childhood educators who have their qualifications from Red River College or elsewhere. If the minister wants to send them into private homes to teach parents how to parent, I think that would be fine if they are qualified early childhood educators.

Another possibility would be parent-child centres. There used to be five of them in the inner city, and this government withdrew their funding. If the minister would like to use that kind of system again, it would be agreeable.

Mrs. Mitchelson: Just for clarification, Madam Chairperson, that was a program that was supported under the Core Area Initiative. That is always one of the concerns that governments have, is that when three levels of government do support a program and then that program is cancelled and no longer available, whose responsibility is it to pick up the funding. Very often in the past it has fallen on the provincial government's shoulders. The questions always come and the criticism always comes that it is provincial government cutbacks when in fact the provincial government is being expected, if a program is to continue on, to pick up two-thirds of the cost of a program that it was not funding in the past.

So those are issues that are very difficult issues to deal with. We have to be very careful when we enter into tripartite or bilateral agreements that when programs come to the end of their term that there is not the expectation that one level of government might necessarily pick up the funding that other levels of government have provided under that kind of a program. So that is an issue.

I was just going to ask that question. You said, do we want to send early childhood educators into homes? I might ask whether, you know, it might be the local church basement that we could gather some single mothers together with their children. The facilities are there. I think that is something we

have to pursue, something we have to look at, and if it looks like it might be workable, maybe it could be a very positive solution.

Ms. McCormick: I want to pick up on several threads, Madam Chairperson. One is the sort of view of history of those parent-child centres. Actually, I was on the board of the former Children's Aid Society when it was taken over and devolved into the community-based agencies. My recollection was that the parent-child centres were started on our prevention money from the province, then taken over by the Core Area Initiative, and I was on the Core Area Initiative programs and services and was the chair of the program appropriation which funded them subsequently, but I do recall a bit of a dilemma we had because we were not supposed to be funding existing programs. We were supposed to be funding things that were being set up newly. My belief is that at least two, if not more, of those centres had already existed, but that is—again, we all have our own view of history.

With respect to the comments around the models which are available, during the seven years I was the director of the daycare centre at Health Sciences Centre, we in fact had a parent aid program which still exists today, and it was modelled on exactly the thing you are describing, except it was an intervention for parents who had already demonstrated that they could not deal with their children, and these children were identified as abused.

The whole thing was built on not only giving the child the positive experience of the daycare environment but giving the parent the experience as well, and we had situations in which women were allowed to have their children returned to them conditionally in that they participated in the daycare program on a regular basis. It was a matter of nurturing the child and nurturing the parent who in turn could learn to nurture her child. It was a model which was successful at its beginning and continues to work today.

* (2210)

There are some other models which I think are worthy of consideration. One is the Finnish model

which I think in the translation is called the three-family model, and it is an ideal alternative where families with common child care needs band together. You eliminate the need for the facility because it is a home-based program, but in fact, the professional child care worker, and depending if the numbers warrant it, with assistance from an aide, work both with the parents and the children.

It is cost-effective, very personal, very flexible, and has the real advantage of providing relevant personal supportive care to children and by extension to their parents. Again, this does not exist in isolation. There has to be some kind of accountability for the quality of the environment and some kind of supervision and support, but I would really encourage, if you are looking for models, to look at this model.

In fact, at the end of my daycare career—when I left daycare, I chose not to keep my youngest son in the program because it was tough being a parent in the program and not the director where I had been for seven years. So myself and two of my friends set up a model like this in my home, and we, again, perhaps would have said that we did not need the parenting direction, that we were competent parents. Nevertheless, it did prove to be a very useful approach.

Now what we have to do is be very careful to look at how we would integrate this into the Manitoba Child Day Care program to cover the consideration of licensing and of supervision and of liability and those kinds of things, but I would be very pleased to share both the experience and my knowledge of this model with you as you are looking for alternatives.

Mr. Martindale: Madam Chairperson, I would like to continue quoting from some of these very poignant letters that have been received. The next one was actually addressed to the MLA for Point Douglas (Mr. Hickes), and it is from the director of the Freight House Day Nursery.

She says: I am writing with regards to the recent decision by our provincial government—and this was written in May of 1993—to reduce daycare subsidy fee assistance payments to a minimum of

\$16 per day and reduce seek employment subsidy allowable from eight weeks to two weeks. Parents have been burdened with paying \$2.40 per day per child enrolled, which is already proving very difficult to collect. As well, two weeks to find a job seems very unreasonable in this day and age. Both of these decisions will have a tremendous negative impact on our daycare centre, its continued operation, financial stability and the employment futures of 12 staff. Freight House Day Nursery Inc. has been operating in the community for 20 years, servicing 50 preschoolers at a time.

And the director says: I have been directing the facility for 16 years, and this is the first time I have been really concerned about the possibility of laying off and terminating staff positions and the very real fear of closing the centre entirely. The inner city and its people have very unique needs, one of which is access to quality child care that is fully subsidized. Parents and social welfare agencies have always counted on us to be there. We have helped many families work, find employment and go to school. We have helped many agencies with care for children who have been abused or require social and developmental stimulation. Many families have come off the welfare rolls and/or established a positive family life because we have been there to help. What will happen to inner city kids and families in the future with no access to daycare is anybody's guess, but I predict the social and financial cost will be much greater than a daycare subsidy. My families are 98 percent single-parent families, working, going to school or with us for special social need reasons. To ask them to pay \$48 per child every four weeks is a tremendous hardship. Most are just scraping by as it is. That \$48 takes away money that should remain in a family's hands to feed and clothe their children. Government needs to realize that all daycare centres play a vital role in keeping the community healthy and its citizens productive, not just the centres who are used by working families.

I think the Executive Director, Joanne Robinson, at the Freight House Day Nursery Inc. speaks very eloquently not just for her inner-city child care centre but for many inner city child care centres, including the ones in my constituency which I

have visited. I think what she is saying is that the parents, many of whom are single parents, are much better off having their children in subsidized child care because it is enabling them to either stay in the workforce or to go to school. The alternative, when child care is not affordable, is that these parents pull their children out of child care, and many of them are just going to stay home on social assistance.

In fact, that raises a question that I have for the minister. Does it actually cost the Department of Family Services more to have a family staying at home on social assistance than it does to have an individual going to school or in the workforce and her department subsidizing child care?

Mrs. Mitchelson: Madam Chairperson, whether a welfare recipient is at home or has their child in child care or is in a training opportunity we have to pay the basic welfare costs anyway. If they are at home, of course, we are not paying the child care subsidy, and if they are not in training or in employment opportunities we are not paying the child care subsidy and we are not paying the training costs. So what you are saying is if they are at home, I suppose, it is costing us less money ultimately, but I do not think that is a direction we want to see taken.

I can only go back to saying that we recognize and we realize that the system that we have in place today is not working, and that we need to look at new and innovative ways of providing supports to single mothers and to their children and encouraging training opportunities, building of self-esteem and workplace opportunities. As a result of that we are going to pilot some new ways of doing things, and if our pilot projects are successful we can expand upon them, we can build upon them, we can use them as new models for reform.

So when we look at the pilots we are going to take into consideration all of the issues that have been raised, and we have, by the way, done some consultation. We had child daycare providers, early child and educators as a part of consultation process, and they have indicated to us—I have had some private conversations with some of the child

care directors on an individual basis and I will be pursuing some of their comments, and we will see whether there are things that can be done, recommendations that they do make that can become part of a new way of doing things unto our pilot projects. If they work there is an opportunity for expansion.

* (2220)

Mr. Martindale: Last year another problem that arose as a result of the budget decisions of this government was that child care centres were having very serious cash flow problems, in fact difficulty meeting their payrolls. I am wondering if that problem still exists or was that problem taken care of when the changes were made to the preaudit.

Mrs. Mitchelson: I believe that problem in the most part was taken care of as a result of us being able to assess the subsidy applications on a more timely basis and do a postaudit instead of a preaudit. So that the money did start to flow. It took a few months to get the backlog cleared up, but I believe it is for the most part under control.

Mr. Martindale: When I was on a constituency tour in Thompson, I dropped in at the Teekinakan Day Care Centre, and I heard first-hand what the chair of their board also conveyed to me in a letter. I am sure that the minister has had correspondence. In fact, I have a copy of the correspondence to the director of the Child Day Care office. Rather than read it, I think I will just summarize it, because I think I am familiar with the situation.

Due to budget changes, they experienced a big impact on the infant side of their child care centre, and I guess, unfortunately for them, they are located almost across the street from Keewatin Community College, where there is also infant care, funded, I think, by a federal government program and also with cheaper rates. So the result has been that I believe they have closed their infant centre. I am wondering if the minister, first of all, can confirm that they have closed their infant centre. I will start with that question.

Mrs. Mitchelson: Our information is that it has not closed.

Mr. Martindale: Can the minister tell us if they are still experiencing financial problems in the infant side as a result of the parent fees and being located close to another infant centre?

Mrs. Mitchelson: Madam Chairperson, although the centre across the street from Teekinakan was receiving some funding from the federal government under startup grants, it is no longer receiving that money, and it does not get a grant from the Province of Manitoba, the one across the street. Teekinakan is fully funded. It does get grants and subsidy. So there is not an inequity at this point in time. As a matter of fact, the other daycare across the street, because it does not get grant funding from the provincial government, is receiving less than what Teekinakan is today. That has been communicated to them.

Mr. Martindale: Teekinakan Day Care Centre, in their letter, says that more subsidized cases would probably reverse our consideration to close.

Have they received more subsidized cases? They feel that is the solution to staying open.

Mrs. Mitchelson: Madam Chairperson, my understanding is that they are still open, and, as we look at and evaluate subsidized cases—also, I was up in Thompson, and my staff was up there through our consultation process, and heard the issues around child care in Thompson.

Anyway, we look to developing a pilot project. I am sure that there will be one in the Thompson area, that we will have to take into consideration some of the concerns that were raised as a result of that consultation process.

Mr. Martindale: I am sure the residents of Thompson will be pleased to hear that there will be a pilot project there.

Since the minister has repeatedly said or, at least, hinted that child care will be a component of it, I hope that some of the child care space or infant spaces at Teekinakan Day Care Centre will be filled up as a result, because in their view that is the key to their financial stability. They said that last year they had a \$7,000 deficit and they are projecting a \$4,000 deficit this year.

It seems a real shame that child care centres have to do so much fund raising. I think this is a real drain on their board and on their staff and on their parents in terms of volunteer time. I know they do it because they are committed and they believe in quality child care and they want to keep their centres open, but the problem is pointed out quite vividly in this letter, where they are saying that their bingos are now losing money because of VLTs.

So you know this is the government that is raking in hundreds of millions of dollars from gambling in this province, but is inadequately funding child care centres. At the same time, child care centres are running bingos to raise money to keep the doors open, and the bingo revenue is declining because of this government's expansion of VLTs.

In fact, I went to another child care centre in Thompson that told me that last year they had 13 bingos. They had more than one bingo a month. I do not think parents and staff and board members should be required to put in that kind of volunteer time just to keep the doors open. I think this government should change its priorities and should reallocate some of the windfall profits from gambling expansion in Manitoba and redirect the money to child care.

Will this minister consider filling up some of these vacant infant spaces at Teekinakan Day Care Centre, either by giving them more subsidized cases or by filling the spaces through the pilot project daycare component?

Mrs. Mitchelson: Madam Chairperson, as I indicated just a few minutes ago, all of the issues that were raised in the Thompson area will be taken into consideration as we develop a proposal to the federal government for a pilot.

It is premature at this point in time to indicate exactly what that pilot might look like, and what the extra support systems around children and mothers will be, but we will take all of the issues, and the issues that have been raised here tonight also—I think they were not new issues, issues certainly that we heard when we were up there consulting. We will have to take a look at all of

them in the context of what we might see developed as a pilot project.

Mr. Martindale: I have received considerable correspondence from Lakeview Children's Centre, and I am sure the minister and her staff have too. Could the minister tell us if they are any closer to getting permanent funding than they have been in the past? I think they are currently funded under a federal pilot project, but they would like to be part of the provincial system.

Mrs. Mitchelson: Madam Chairperson, I have met with Lakeview and have had a long discussion and dialogue. They are partially funded, and I guess the issue for them—I do not believe they receive any federal funding, but they are partially funded with partial grants from our department. I listened to their issues and their concerns, and they wanted me as the new minister to be aware that this had been an issue and was an ongoing issue. I do not believe at this point in time that we have been able to resolve that issue, but I am aware of their concerns and will continue to keep them in mind.

Mr. Martindale: I would like to ask some questions about Family Day Care because they have written to the minister and to myself. One concern that they have, and I share this concern, is that they seem to be doing some of the work that might be done by the Day Care office, and they are answering a lot of questions on behalf of people and fulfilling kind of a government staffing role.

Now, when they had paid staff, I do not think they minded doing this, but now that their grant is gone from this government and they have no paid staff, it means that volunteers are answering all these questions. I am wondering if this minister has considered restoring the grant to the Family Day Care Association of Manitoba.

* (2230)

Mrs. Mitchelson: Madam Chairperson, maybe my honourable friend might table that correspondence. I do not recall having received correspondence that he is talking about. He may just have to refresh my mind by providing me with a copy of that correspondence.

Mr. Martindale: Yes, I will table it. It is actually a letter to me, rather than to the minister, and it is

dated May '93, so I would not expect the minister to have it.

I will ask my questions first, I guess. One of their concerns was that family providers were moving from one residence to another, some of them to homes that they had recently purchased, and they were told that if they moved they could lose their licence or spaces. I am wondering if that actually happened to any individuals or not.

Mrs. Mitchelson: Madam Chairperson, licences are not transferable as people move; that would have to happen in the case of the family daycare home moving into another community. If they are moving in the same community and there was still the same need, I do not think there would be any problem with issuing a licence, but what they have to do is evaluate the need in the community that they might move into to see whether there are adequate spaces available or adequate licensed facilities available before making a determination on granting a licence at a new location.

Mr. Martindale: This correspondence said that providers are unable to increase the number of spaces as the children move out of a specific age category. I presume that is because of the policy of capping the number of cases. Is that correct?

Mrs. Mitchelson: Madam Chairperson, the regulations for licensing, I think, are fairly clear, and it does indicate that a home may have so many infants at one time and so many preschoolers, and the regulations are different for the numbers of infants or preschoolers. I am not sure exactly what you are asking.

Mr. Martindale: As the children grow up and go to school, they may no longer be in a family daycare home and the space becomes vacant. Then, apparently, there is a problem with filling up that space. Is that correct or not?

Mrs. Mitchelson: My understanding would be that if there was a child that moved out of a space, indeed that space would still be there for a new child.

Mr. Martindale: Some of the problems that family daycare providers experience seem to be quite similar to child care centres. One of their concerns is that some parents cannot afford the

\$2.40 a day, and the family daycare providers have difficulty collecting this money. The result is that if it goes uncollected, their income goes down. Is the minister aware of this problem?

Mrs. Mitchelson: The hour getting late, I am finding it a little difficult to concentrate, but I believe that I did meet with the head of the Family Day Care Association. I am sure this was an issue that was brought to my attention. It is not ~~unlike~~ issues that—I know the Day Care office is certainly aware of this issue, this concern.

Mr. Martindale: I am prepared to table this document now.

I have a question or suggestion to make to the minister of something the minister could do for the child care community, and I think it would be fairly easy to do. Although I do not know, on second thought, it might be difficult.

My suggestion is that the minister put a muzzle on the MLA for Portage la Prairie (Mr. Pallister). In a public forum the MLA for Portage la Prairie made some comments which were duly reported in the Portage la Prairie Daily Graphic on Wednesday, December 15, and caused great concern and consternation in the child care community because of what he said. Basically, the child care community had to wait from December 15 until April 20 or even later to find out whether or not his predictions were going to come true.

I do not think that the things that he said were very helpful at all. For example, he said, there is also a chance the province will cut the number of subsidized positions by 3 percent to 5 percent this year to save costs. He also said when people think they are underpaid and the employer cannot pay more, they have a choice to change their line of work.

I am wondering if the minister believes that she speaks for the department rather than members of the back bench, and that other government members should be extremely careful about what they say, particularly about budget decisions, which probably have not been finalized by December 15. Therefore, this minister might want to reprove or censure other members of her government for speaking on her behalf about

things that obviously they were not very knowledgeable about.

Mrs. Mitchelson: Madam Chairperson, I guess my honourable friend opposite has the same disease that most of his party does in opposition, and that is that they read the newspaper and believe everything they see in it. I know that a lot of their research is done from the daily newspaper, and those are the questions that we get asked in Question Period. I would say that very possibly the odd time the newspapers do not quite get things straight, and I have noticed from time to time that my comments have been taken out of context in the media, as I am sure most politicians might notice from time to time.

I know for a fact that the member for Portage la Prairie (Mr. Pallister) was discussing the issue around the worthy wage campaign in Portage la Prairie. The comments that he made were in the context of, again, as I indicated earlier, and the same discussion we had around the caucus table with members of the daycare community: if we were to increase wages, where would the money come from? Would it be in a reduction somewhere else in the daycare budget line? Would we charge parents more? Would there be fewer spaces?

The only way that we would find increased resources in the daycare budget line would be to reduce some other part of the service. I think the comments or the questions, the line of questioning that my honourable friend is coming from is—I mean, he should have attempted to ascertain the facts of whether the newspaper article was accurate.

I will have to indicate to you that any daycare that did raise that issue or concern, I communicated with and indicated exactly what had happened at that meeting. So they did not necessarily have to wait till April to find out whether what was in the paper was truth or not. They did find out, as a result of my communicating with them, much before that time, and indicating that certainly my colleague from Portage had been misquoted, that in fact it was our position and the position that we put forward to the Child Care Association that, in fact wages were to be

increased, there would have to be decreases from somewhere else or increased parent fees.

Our option could have been to reduce the number of spaces by 3 percent to 5 percent and increased wages. We did not determine as a government that that was a policy direction we wanted to take.

* (2040)

Mr. Martindale: If the minister is saying that the MLA for Portage (Mr. Pallister) was misquoted, I will leave it at that.

I know that the minister has had a lot of correspondence and meetings with the Manitoba Child Care Association. One concern that I have about the relationship between the minister and this organization is that there have been quite a few studies and recommendations done by government and nongovernment organizations about child care. Many of these, the Manitoba Child Care Association has endorsed and has urged the government to implement, but when budget decisions are made, particularly last year and this year, it seems there has not been very much consultation, that the kinds of things that they do talk about are not implemented and instead there have been budget reductions. I am wondering if that is a policy of this minister, and if so, whether she plans to change that policy and have meaningful consultation with MCCA so that when changes are made there is some advance consultation with their representatives and the minister.

Just before I let the minister reply, I would like to say that they did not ask me to raise this. I am raising this on my own, so if they disagree, I am on my own hook, I guess. But it is a concern that I have because I know what these government and nongovernment reports are and what they recommend, and I am aware through consultation with or through correspondence from MCCA what kinds of things they want this government to implement.

Certainly in the last two budgets that has not happened. The minister has gone in the opposite direction. Now, there may be things that they have discussed in private that I am not aware of that do

result in budget decisions, but I would like the minister to comment on her policy on consulting with MCCA before budget decisions are implemented.

Mrs. Mitchelson: Madam Chairperson, I have had a lot of meetings with the Child Care Association. I have tried to keep the lines of communication open; I have called when I have sensed that there might have been an issue that they have wanted to discuss, just picked up the phone and called and attempted to talk to them and clarify any circumstances or any issues that might not be clear. I have encouraged them to do the same thing. When they have an issue that they want to discuss, I am only a phone call away, and I do want to be there to discuss any issues or concerns that they might have.

As far as meetings go, and I think my honourable friend was at the Child Care Association's annual meeting where I did bring greetings and opened the conference and—

Mr. Martindale: They said very nice things about you.

Mrs. Mitchelson: They did, as a matter of fact, and I cannot—I would like to put on the record, not that I like to pat myself on the back, but I think it speaks for the kind of dialogue and the kind of consultation we have had when they indicated that government did not always do everything that they asked government to do, but that, in fact, I was the minister that promised only what I could deliver and delivered everything I promised. I think that was—something like that anyway, very close to those words.

I think that says that, yes, they have asked and they have raised issues and they have raised concerns, but every time in a meeting when they have raised issues, what I could commit to do, I did, and we followed through. Some of them were not necessarily monetary issues. The first issue that I had to deal with was the backlog and the lack of ability for centres to meet their payrolls. We dealt with that as expeditiously as we possibly could, and we have made some changes in that area that I think have been very positive and very beneficial. It was, I think, in our best interests as a department

and in our best interests in a more positive working relationship with the Child Care Association.

Most of the things, I have been able to accommodate, and we have asked for their input as we develop new forms for subsidy application. We asked them to provide suggestions. When we had a draft of the form ready, we went back to them and asked them whether this was what they perceived it should look like. There were some minor changes that were made as a result of that second consultation process, and I think what we have is a subsidy form that serves in the best interests of the parent and the centres and the department as far as expeditious assessment of those subsidy applications.

So we have worked very carefully, I think, but it was by their request that we do a pamphlet, a very basic pamphlet, that could explain to parents how to apply for subsidy. That we said we could do and we would do, and we thought it was very important that they have those pamphlets available to distribute to parents in order to make the application process a little more user friendly.

So those are some of the kinds of things that we have been able to do, and I have committed to do those things, and we have followed through on them. Some of the issues around increased funding, I am not able to accommodate within the budgetary process, and I have indicated to them that those might not be a possibility, have tried to commit to them to letting them know as soon as I possibly could what the changes might be.

One of their major concerns was that there might be some fairly major changes in policy or direction as a result of this budgetary process. They had just sort of come to grips with and got used to what had happened in the last budget process, and they were concerned that there might be major changes again and they would have to find new and different ways of doing things. Fortunately, that did not have to happen, and we were able to maintain the process that was in place.

So they are not absolutely happy, overjoyed, with all of the decisions that government has made, but I think we have tried to develop a positive working relationship where I can make change and

where I can make that change quickly to expedite the process and to have a better working relationship. I plan to do that. There are issues that they will raise that I will not be able to address, some of those being budgetary issues, salary issues. We have been able to put our position on the table and share the dialogue, and they certainly can express to me that they are unhappy with those decisions. But they do know that I have not promised to look at or consider something that I know that there is no way we are going to be able to accommodate.

* (2250)

Mr. Martindale: I have what I hope is a final set of questions in this area. It has to do with money that is supposed to go for child care expenses from the federal government, and I am wondering if the minister has ever raised any concerns about this with her federal counterpart. For example, I am told that Canada Employment provides money for training for individuals and that part of that is for dependant care and that approximately \$2.5 million a year comes to Manitoba. Now this money is used at the discretion of the trainees, so it is probably going for babysitting. It is probably going into the pockets of individuals, many of whom probably do not declare it, so it is probably helping the underground economy.

I think this \$2.5 million could be going into the existing child care system, a licensed system. The money would then be accountable and taxable. I am wondering if the minister has information on how much money comes to Manitoba for training that is given to trainees for dependant care.

Mrs. Mitchelson: Madam Chairperson, it is my understanding that through CEIC, training dollars are available and support systems are put around the trainee by the federal government. I guess the question that is asked is, how much? We are not really sure how much is earmarked for child care from the federal government. We could attempt to find that out, but we do not have that amount.

I guess the issue is, does that trainee then have the choice to make the decision on how they want those dollars for support systems utilized? I hear the comment about the underground economy and

those who are evading taxes; I do not think we would have any way of knowing. I still believe that there needs to be choice.

If you are in a training program, and it is more convenient, and you can find a person that might come into your home rather than having to take your child out, if that is a better circumstance or situation for you, depending on your individual needs, I am not so sure that I would want to advocate taking away choice and having parents be responsible for decisions they make regarding support for their children.

Mr. Martindale: I am in favour of choice, but I think there is also a number of public interest questions here, because two other choices that people have are licensed daycare centres and licensed family daycare providers. The difference is that the children are going into care where the early childhood educators are qualified, and I think that is an advantage. Secondly, the money is accounted for and some of it will be taxable, whereas with private babysitters we really do not have any accountability. We do not have licensed early childhood educators, and we could be using the existing system.

I guess I just have one question. That is, would the minister be willing to raise this with the federal Minister of CEIC and find out how much money is coming to Manitoba that could be directed into our system?

Mrs. Mitchelson: Madam Chairperson, I certainly can inquire and ask the question about how much money is coming to Manitoba for child care support, but I would have great difficulty—you know, I go back to my comments that I made about my mother. She had a Grade 8 education, no form of child care training, but I do know that there could not have been a better child care provider in the whole world than my mother.

So I want to say that, yes, I do believe there are skills and qualities that early childhood educators have that are very important, and they have a very important role to play. I still believe, though, that there should be some parental choice, and parents should have the ability to choose what they believe is best for their children. I would have to say today

that I believe that I made the best choice for my children at the time when I had that opportunity to do so.

I honestly do believe, too, that there are a lot of people who have child care providers come into their homes to look after their children that certainly are claiming and those who are providing the care are claiming the dollars that they earn. We do know there is an underground economy. I really hate to say this on the record, but I think I will. I am not so sure that it is in the child care community that we have the biggest problem or the most major problem. I think that there are other trades or other professions where we might see a much larger component of an underground economy than we would see in the child care community.

Mr. Martindale: I appreciate the minister's position. I guess I do not totally agree with it. Probably there is less money involved here because babysitters are so poorly paid. The difference is that when individuals are hiring skilled tradespeople and paying them much greater amounts of money, there is no way of knowing how much money is changing hands and there are very few ways of controlling it. The difference here is that the money is coming from the federal government and there is a way to control it. I think the minister should be concerned about that.

I am wondering if the minister is aware of how much money is expended through the federal department of defence or Canadian Armed Forces personnel. Is the minister aware of how much money is paid out to parents for child care arrangements?

Mrs. Mitchelson: Madam Chairperson, no, I am not aware of that number.

Mr. Martindale: Would the minister be willing to find out, to ask the federal minister for the Department of National Defence how much money, and is the minister interested in finding out how much money is coming through other federal departments?

Mrs. Mitchelson: Madam Chairperson, I think I could probably undertake to write a letter to the Minister of Human Resources, federally, and ask

whether they have that kind of information available or whether they could gather that information from different federal government departments and provide us with it.

* (2300)

Ms. McCormick: Madam Chair, I am interested in asking a question which follows on the member for Burrows inquiries with respect to the subsidy application process. This question actually melds my two favourite topics, one being child care and the other being the maintenance enforcement system.

Can you describe to me the process whereby a parent would declare their entitlement to maintenance through a court order as an income item on your subsidy form? What would be the mechanism for asking for a readjustment should that obligation not be honoured by the defaulting parent? What is the lag time between when the person would notify that the subsidy amount is not coming through, and what would be the mechanism for adjusting the daycare fee in recognition of the reduced family income? Would the adjustment be made retroactively so that the parent was not assessed a higher fee in a month in which the maintenance did not arrive?

Mrs. Mitchelson: Madam Chairperson, we have just developed a new form. Rather than having a whole new subsidy application have to be filled out, it is a notification of changes during approval period. I guess it is sort of hot off the press. It is not distributed at this point in time, but we could certainly provide a copy of it for you. So if that indeed did happen, there would just be a very basic form to fill out and say on such and such a date, such and such a month, I did not have that income because I did not receive my maintenance payment, and we would take that into consideration.

Ms. McCormick: Would the consideration be prospective or retrospective? If a fee was assessed in a month based on the presumption of the maintenance arriving and the maintenance did not arrive within the month and you were notified in the following month, would the reduced subsidy

amount kick in in the following month or would there be some kind of credit retroactively?

Mrs. Mitchelson: Madam Chairperson, I think what we would do in a case like that would be make an immediate adjustment as soon as we had the information that led us to believe that there needed to be an adjustment.

Ms. McCormick: So the adjustment would be forward, but not back.

Mrs. Mitchelson: Back to the effective date that the change took place.

Ms. McCormick: That is very good news, because what I am understanding is if the change took place and the family income and the maintenance did not arrive then the amount that the parent would be entitled to pay would be reduced in that month so that the centre would not be out the money and the parent could then pay the adjusted rate for a previous month in recognition that the maintenance did not arrive.

Mrs. Mitchelson: Madam Chairperson, the centre would get the money. We always pay on behalf of the parent, so the centre would get the money.

Ms. McCormick: Then the centre would get the increased amount in recognition that the subsidy level is now at a lower level?

Mrs. Mitchelson: Yes. That is going to in fact strengthen our case in making the argument for more activity in terms of maintenance enforcement because, in fact, defaulting on maintenance winds up being a cost back on the taxpayers of Manitoba. So we have a stronger case to make for strong action with respect to maintenance enforcement.

Ms. McCormick: Thank you for that information.

Madam Chairperson: The honourable member for Burrows (Mr. Martindale) is wondering if the honourable Minister of Family Services (Mrs. Mitchelson) wants a five-minute break.

This committee will reconvene at 11:12 p.m.

The committee recessed at 11:07 p.m.

After Recess

The committee resumed at 11:11 p.m.

Mr. Martindale: I missed one question. I have an Order-in-Council which refers to appointees to the daycare staff qualifications review committee of nine persons. I am wondering if the minister can tell us how these individuals are selected and if experience in child care in one way or another is a criterion?

Mrs. Mitchelson: They have to have some connection to the daycare field.

Mr. Martindale: Does the minister consult the Manitoba Child Care Association and the Family Day Care Association of Manitoba before making these appointments?

Mrs. Mitchelson: A lot of them are reappointments and have been on for quite a few years. I do not believe in the last process, and I am not sure I can remember an Order-in-Council, how many new people were appointed, that in fact there was consultation with the Child Care Association or the Family Day Care Association. It was a sense of people in the communities that had some daycare experience that were appointed.

Mr. Martindale: Would the minister consider consulting these organizations in the future before making appointments?

Mrs. Mitchelson: Madam Chairperson, I think that there are many people out there in our Manitoba community that do have some sense of what child daycare is all about, and I think that probably the process that has been followed in the past will be a process that is followed into the future. If we know of qualified people that we believe have an ability to assess staff qualifications, we will continue to make those appointments.

Madam Chairperson: (e) Child Day Care (1) Salaries \$2,022,900—pass.

(2) Other Expenditures \$501,500—pass.

(3) Financial Assistance and Grants \$44,679,200—pass.

Resolution 9.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$139,361,100 for Family Services, Rehabilitation, Community Living and Daycare \$139,361,100, for the fiscal year ending the 31st day of March, 1995.

9.4 Child and Family Services (a) Administration.

Mr. Martindale: Madam Chairperson, I would just like to ask the minister for information, whether her staff for this area are here, and if not—[interjection] They are here, well, in that case, I guess we will proceed for 15 more minutes.

Before I get into my questions here, I wonder if the minister can tell us when she can table copies of the list of external agencies' funding.

Mrs. Mitchelson: We can do that tomorrow.

Mr. Martindale: Madam Chairperson, I believe there were some Orders-in-Council or maybe even special warrants in, I think, March of this year regarding Child and Family Services. I would be interested in knowing if the reason for these is that the government did not budget enough money for Child and Family Services.

Mrs. Mitchelson: Madam Chairperson, the reason for the special warrant, in fact, was primarily a volume issue. There were more children coming into care than we or the agency had anticipated.

I guess we thought that at the beginning of the year the numbers might taper off, and that obviously was not the case. So there were more children coming into care. That is one of the reasons why we have chosen to take it in focus this year and try to put supports in different places, so that indeed we might experience a change based on a new vision and a new way of doing business.

As a result of the need for increased resources in the last fiscal year, we did some extensive work with Winnipeg Child and Family Services agencies to see whether there were some ways that we believed, together, co-operatively, we could change the focus and change the way we do things so that in future we might see a more positive success.

Mr. Martindale: I found the Orders-in-Council. One is dated March 9, 1994; the number is 156/1994. The amount is \$362,300 payable to Winnipeg Child and Family Services. The other one is much larger; it is \$3,454,500 to Winnipeg Child and Family Services. That is No. 196/1994, dated March 23, 1994. In the same

Order-in-Council, Child and Family Services of Central Manitoba, \$62,900.

These were for Child and Family Services agencies, because this department was underfunded. If I understand the minister correctly, she said it was because more children came into care. I wonder if the minister could elaborate, if she or the department know why more children are coming into care. Was it because your budget predictions last year were not accurate, or are there reasons why more children are being taken into care? Is there a change in the situation in the community? I wonder if the minister could fill us in on that.

* (2320)

Mrs. Mitchelson: Madam Chairperson, were there three different Orders-in-Council that were referenced? [interjection] Two. One for the smaller amounts was for secondment of staff to do training for the information system. The larger was for increased volume, increased numbers.

I guess if you look back over our past and our history—and I have been out to visit with some of the areas in the city of Winnipeg. I have had the opportunity to go out on night duty and see first-hand the kind of work that is being done and talking to those who are working within the system. They refer back, and some of them are working in the new—well, it was regionalized and then we got it back into one agency.

Some of those who are working in the system were there when the Children's Aid Society was in place. They pointed out to me some of the problems that existed as a result of the decentralization that occurred back in the mid-'80s, I guess it was. I cannot remember exactly what year. What happened was that with the new focus to decentralized services, there was an expectation that those who were working within the system would become generalists.

I think the Children's Aid Society had an experience where they had specialists within the system. They had specialists for adoption services specifically. Anyway, these were comments that were made to me by workers in the system, that social workers at that point in time working within

the system were asked to become all things to all people. They became very general, and there was not a specialized focus.

As a result of that, adoption or permanent placement received a lesser priority. They were concerned that we had more permanent wards that were adoptable that were sitting in foster situations as a result of them having to put that as a lower priority because there were other protection issues that were of greater significance and they had to concentrate their time and their effort in those areas. There was some concern that maybe the direction that was taken was not the right direction and that we needed to refocus and regroup a little bit and look back to some of the things that had worked under the amalgamated system of Children's Aid and look at a new way of doing business.

Obviously with the decentralization we did not see any decrease in the numbers. We have seen increasing numbers on a year-to-year basis. That tells me that we can continue to put more money into a system that is not working, because if the dollars that we were putting in were working we should be seeing less cases come into care, not more.

Anyway, we have worked very co-operatively and closely with Winnipeg Child and Family Services around some new and innovative ways of doing business. I think I have had the opportunity during Question Period to answer some questions and try to shed some light on a new focus around family support, family preservation and family responsibility. As a result of that, we are hoping some of the money that has been freed up within the system will be able to be used on some early intervention, some early child development, as I say, a new focus that hopefully will see less children come into care.

Under the previous system last year, children had to be taken into care for the agencies to receive per diems. What we have today is an opportunity for the dollars that were used to take those children into care still available to the agencies to refocus around working within families, identifying risks maybe at an earlier opportunity and seeing

whether we cannot deal with them to maintain the family unit and to reduce the costs of taking children into care.

That is one of the areas where we have made a major shift. That was an area that the agencies told us needed to be looked at. I think we have tried to accommodate that. Hopefully some of the new direction that we will take will see us working with families more intensively, working in special ways and maybe bringing into focus again a special adoption unit that will look at more permanency planning.

We do know that children who remain in foster care for longer periods of time have more difficulty adjusting into a normal circumstance or situation once they are adopted. If we can identify those who have no hope of reconciliation and are adoptable, that do become permanent wards of the agency or the province, if we can get them into an adoptive situation that is a more permanent and stable circumstance earlier on, we will have more success with those children as they become older.

Those are a couple of the areas that the agency will be focusing on as a result of redirection. I am sure there will be more questions that will come to mind, and we will have full opportunity for dialogue around the whole change in the way we see our child welfare agencies doing business in the province.

Madam Chairperson: What is the will of the committee?

An Honourable Member: 11:30.

Madam Chairperson: 11:30? Call it 11:30.

As previously agreed, the hour being after 10 p.m., committee rise.

Call in the Speaker.

IN SESSION

Madam Deputy Speaker (Louise Dacquay): The hour being after 10 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 25, 1994

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