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**DEBATES
and
PROCEEDINGS**

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LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 23, 1979

Time: 8:00 p.m.

SUPPLY — DEPARTMENT OF CO-OPERATIVE DEVELOPMENT

MR. CHAIRMAN: Order. 1.(b)(1) — the Honourable Minister.

MR. BANMAN: Mr. Chairman, before we broke, before the Private Members' Hour, the Honourable Member for Rupertsland had asked me several questions dealing with the functions and operations of the Co-op Development Branch, and I'd like to specifically deal with a few of his particular concerns.

No. 1, the auditing function, which was transferred over in 1974, both to the credit unions through the stabilization funds and to the Caisse Populaires to the Les Francaise du Securite were transferred over. The department maintains a staff which can go in and audit specific credit unions, if, on certain instances, that is required. We do not maintain a staff — and I believe the member would concur with this — to go in and do a wholesale audit of every credit union of the province at a given time. That would require staff which would be just too large and would require a staff which I believe would at this time not warrant the existence. We would then, in case of a particular problem of that magnitude, we would then have to go for help to some outside auditor, but I think that's the prudent way of doing it and I think that's what the former Minister also had in mind.

Dealing with the administration and the rationalization within the two departments I should point out, and maybe this is one of the problems that you have of dealing with one department in isolation of the other. Under my administration right now we have two departments, namely the Department of Co-operative Development and the Department of Fitness, Recreation and Sport. Its total combined complement of staff man years is roughly about 100, and we decided to have one administrative unit, personnel unit and also research unit. That research unit and the funding for those three different particular sections happens to fall in the Department of Fitness, Recreation and Sport. If that were to be housed in Co-operative Development it would increase that particular staff complement, and there is no real magic formula in doing that; it's just that's the way it has been done. And the Administrative Services, Personnel Services and Research Services, which used to be housed in that particular department, those functions are now being carried on in the Department of Fitness, Recreation and Sport. So there is a bit of a rationalization and a little bit of economies of scale achieved in that respect.

The other thing that the member was mentioning is the northern co-ops and the charging to the northern co-ops. Back in 1975, January, 1975, the Deputy Minister at that time approved a policy which I understand, from talking to the department, has to date not been implemented as far as the northern fishing co-ops are concerned. It is a policy which has not been enforced, namely that the northern fishing co-ops, as far as I am informed at this time, have not been charged and until there has been a good look at the system by myself I can assure the member that there will be no charges levied at this time.

The department is maintaining its staff complement as far as the Co-op Development Services, both north and south is concerned. I should mention that the staff man years for that particular area, if we look at the actual of 1976-77, or 1977-78, will be equal to that if not a little larger, so that any assistance provided to those particular northern Co-ops and the southern Co-ops in helping them organize as well as doing some promotional work will be in place, and those particular individuals will be helping that particular function of the department. So that we feel we can, with the staff complement that we have right now, and with a certain amount of rationalization and workload that has been transferred as far as administrative personnel and research work that has been transferred to the Department of Fitness and Amateur Sport, we will be able to carry on the same level of service provided to the different Co-ops and I believe that the members — and I would ask them to show where there has been any diminution of services as far as that particular branch is involved — my staff assures me that they are maintaining that particular level and will continue to do that.

MR. CHAIRMAN: 1.(b)(1)—pass — the Member for Rupertsland.

MR. BOSTROM: Well, Mr. Chairman, first of all I'd like to deal with the so-called policy for the charge for an auditing service to northern Co-operatives. For one thing, the Deputy Minister in my understanding does not make policy, therefore there was no policy under the previous government regarding the establishment of a charge for northern Co-operatives. If the Deputy Minister had indicated there was a proposal in the works for such a thing, then it was at the departmental level of the government that that was being considered because in our government, the New Democratic Party Government, the Ministers made the policy and no Minister, to my knowledge, ever made that policy, and certainly it was not a policy when I was the Minister of that department in 1975 to charge northern Co-operatives for auditing services. The first I became aware of this policy, so-called policy, Mr. Chairman, is last fall when I attended a Co-operative meeting in northern Manitoba when officials of the Department of Co-op Development informed the Board of Directors at that meeting that this policy was in the works and that they would likely have to charge the Co-operative for auditing services in the future.

And last fall, Mr. Chairman, was approximately a year after the changeover in administration to the Progressive Conservative Administration, so therefore, Mr. Chairman, I assume that this is a policy which is being considered more seriously now by the Progressive Conservative Government, and I must say it was a policy that was never brought to the attention, a policy consideration by the department possibly was never brought forward while I was Minister. And to my knowledge the Minister who replaced me in that particular department, the Honourable Ree Toupin, at the time did not implement such a policy either.

In any case, Mr. Chairman, I'm hopeful that this Minister and this government will not implement such a policy because, as I said before, this will be an undue hardship and a regressive form of taxation essentially on the northern co-operatives in northern Manitoba. So, Mr. Chairman, if the Honourable Minister is considering implementing such a policy I strongly recommend against such a consideration at this time because it would be an undo charge, an unfair charge on the northern co-operatives.

With respect to the staff within the department who are responsible for delivering services to co-operatives in Manitoba, we will get into it in more detail I'm sure as we go through the estimates, but just from the general outlook of the way in which this government has been handling the Department of Co-operative Development, the very fact that they would transfer staff from the Department of Co-operative Development to this new Department of Fitness, Recreation and Sport, shows a change in priorities as far as the Department of Co-operative Development is concerned. The reduction in funding for the Department of Co-operative Development from an amount of 2.2 million, \$2,241,100 for the year ending March 31st, 1978, to a total now in this year which is under review before us for the fiscal year ending March 31st, 1980, it is an amount of \$706,400.00. So, Mr. Chairman, there has been a substantial reduction of over 60 percent in this department of one type or another, either the transferring of staff, personnel, to other departments of government, or the reduction of staff, personnel, in various sections of this department to the extent that there has no doubt been a diminution, a very serious diminution of services to people who are interested in establishing and maintaining co-operatives in Manitoba. And I would think, Mr. Chairman, that the most serious reduction has been in the area of the establishment of new co-operatives and the assistance to those new co-operatives.

Mr. Chairman, I am sure the Minister can try to make the excuse that there are staff that are available for the northern co-operatives but these are the same staff that must be called upon to service the southern area of Manitoba as well. So they cannot do both jobs, Mr. Chairman. They'll be having to do both jobs at this time however, and to the extent that they are required to service the whole province there's been a lessening of service to the northern co-operatives.

And, Mr. Chairman, it seems to have been an attitude which has been expressed by this government, whether publicly or privately, that they are simply not that interested in co-operatives and not that interested in the development of new co-operatives in Manitoba, and it's quite obvious from the way in which we see the Department of Co-operative Development in this government being given the short end of the stick in terms of the funding available, in terms of the emphasis and the priority that this Progressive Conservative government is placing on co-operative development in the province.

MR. BANMAN: Well, Mr. Chairman, I don't want to belabour it any longer. I think I've given the assurance to the member that in talking to my staff there have not been any charges for auditing levied on the northern fishing co-ops. I have a policy document which was circulated and approved by the Deputy Minister on January 26, 1977, which my staff say was one of the policies that was implemented at that time. Mr. Chairman, I guess we could argue whether that was a policy of the

previous government or not, but the fact remains that there have been no charges levied to date, and as far as I know, that will have to be a decision that will have to be made later on. But right now we are not levying charges on northern fishing co-ops as far as the department is concerned.

MR. CHAIRMAN: 1.(b)(1)—pass — the Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I would like the Minister to give us an idea — I think I missed it, he probably did — to give us the name of the Deputy Minister, new Deputy Minister, and his background with respect to co-operatives in Manitoba.

MR. BANMAN: Mr. Chairman, without going into great length, Mr. Ralph Brighty over here has been appointed Deputy Minister as of January 1, 1979. Mr. Brighty was the Manager of Hyline Credit Union for some ten, eleven years, has had a fair amount of involvement in the credit union movement in the province of Manitoba, has also had involvement with the co-operative movement, and I think is well respected in the whole credit union movement and co-operative movement in the province of Manitoba.

MR. CHAIRMAN: 1.(b)(1)—pass — the Member for Lac du Bonnet.

MR. USKIW: I'm not familiar with the credit union in question. Would the Minister indicate where that credit union is located? What part of the province?

MR. BANMAN: The Hyline Credit Union is the Hydro employees' credit union, and I might add at this time, Mr. Brighty was in charge of the branches when they opened in the different areas when Hydro moved into Grand Rapids and to Gillam and to all the other places, so he's familiar with the workings of the north, having travelled that himself, and I think he has a pretty good working knowledge of what's going on.

MR. USKIW: Mr. Chairman, given the fact that the government has reduced the importance of the co-operative department to really that of a role that could be very well served by a branch of any other department, the question I raise is whether there was any need for bringing in the person in the role of Deputy Minister and so on. We've seen the department shrink each year for the last couple of years, and from what I can observe here, it's obviously not an activist department. It's a department carrying out a very passive role, putting up with the co-operatives that arise from time to time, rather than helping them develop, and therefore really one has to question the validity of a department at all, when we're not going to really promote the department into the development of new co-operatives and a lot of extension work that goes with it. What's the purpose of keeping the department, Mr. Chairman?

MR. BANMAN: Well, I think Mr. Chairman, first of all, the credit union movement, which is a fairly substantial one in the province of Manitoba, servicing something like 320,000 members, is one which this government is concerned about and is concerned about in a number of ways, number one, of encouraging the development of that particular, I might say pretty formidable force in the province of Manitoba as far as a financial institution is concerned, and also one of encouraging and developing other alternatives.

I should point out to the member that there is an important function of the department and that is to act as a liaison to try and not only encourage the formation of new ones but also to make sure that the problems that are encountered from day to day by different credit unions is monitored by the province. In doing that, we feel that this particular staff complement that we have, the Deputy Minister that is in place at this time will be able to do that to the satisfaction of the government.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, how many staff did this department have on October 11, 1977?

MR. BANMAN: I will have that, if you will just give me just one second here, I will have that. 49 plus three contracts.

MR. USKIW: Yes, that's a total of 52. How many staff are now with the department, Mr. Chairman?

MR. BANMAN: We're asking for a total complement of 25.

MR. USKIW: Yes, and that's a reduction of more than 50 percent. What functions were transferred out of this department, to account for some of the staff reduction? How many SMYs did that account for?

MR. BANMAN: There were seven SMYs transferred to Fitness, Recreation and Sport; one transferred to Consumer and Corporate Affairs and then, as I mentioned before, the administration and the personnel of this particular department is covered by the Department of Fitness, Recreation and Sport.

MR. CHAIRMAN: (b)(1)—pass — the Member for Lac du Bonnet.

MR. USKIW: Well, Mr. Chairman, obviously then there was a very substantial reduction in personnel attached to the Department of Co-op Development. Can the Minister tell me then, in light of that, what is the role of his department? He talked about fulfilling a mandate without telling us what his mandate was with respect to the totality of these Estimates. Perhaps you might want to elaborate on that.

MR. BANMAN: I think if the member would have been here before I mentioned the particular role of audit and inspection. That particular group, through the last number of years, has been slowly sized down because of the responsibilities being handed over to the Stabilization Fund and the Francaise du Securite. That particular function is down somewhat from what it was before. I think from 76 it will be reduced by about 6 SMYs because the department does not now go out and audit the books of every credit union. That now becomes the authority of the Stab. Fund. I think that was handed over in the last number of years. Those particular groups have then picked up that particular function, so that means that this department does not have to do that. That is one area.

The other area is the area of dealing with particular reductions of SMYs, some in the steno pool, which is now being shared and is found in the Department of Fitness, Recreation and Sport — there are some SMYs there — and information, organizational and personnel, where there used to be six SMYs in 1976-77 is now a function that is carried on by the amalgamation of the two departments.

MR. CHAIRMAN: (b)(1)—pass — the Member for Lac du Bonnet.

MR. USKIW: Yes, of the staff members that we have, Mr. Chairman, can we have a breakdown of how many are working in southern Manitoba and how many are working with northern co-operatives?

MR. BANMAN: Well, Mr. Speaker, as I mentioned, there is no delineation of responsibility right now. We have Co-op Development Officers. We had several resignations. We now are finishing the bulletining or the completion of three new Officers in that particular area. We believe that by combining the two departments, the north and the south, we will be able to better serve the needs of the north as well as the south by being able to transfer personnel between the two. If there is a particular problem, such as working out a relationship between the Freshwater Fish Marketing Corporation and the government, dealing with the South Indian Lake Fishing Co-op, we will be able to deploy people to do that. If there is a particular problem that arises in one of the southern towns, we can use the people for that. So we will be using them between the two different sections and there is no strict delineation of authority.

MR. USKIW: Well, yes, could the Minister give us the number of Co-op Development Officers that he has now?

MR. BANMAN: We will once the bulletining has been finished. We will have eight, and then two more will be bulletined. We had a few other resignations. So we will have a total complement of ten.

MR. USKIW: Yes, Mr. Chairman. Of these ten people, what is going to be their particular responsibility? Are they strictly development officers or are they involved with the administration as well as acting as development officers, innovating and creating new co-operative opportunities

throughout the province?

MR. BANMAN: These will be development officers who will service both the north and the south. And I should point out at this time that the actual amount in 1976-77 that was involved in the north and south component was 10.24.

MR. USKIW: No, but Mr. Chairman, my question was: Will they be also involved in administrative detail work or are they strictly full-time co-op development officers?

MR. BANMAN: Mr. Chairman, the people involved in financing control have a certain amount but the member will understand that when we do send a development officer into northern Manitoba to deal with particular co-ops there are a number of functions that he or she could undertake at that time.

MR. USKIW: Mr. Chairman, the Minister referred to several resignations. Why were there so many resignations in the department? What was the problem?

MR. BANMAN: Mr. Chairman, I understand that they had other opportunities and that happens from time to time when people leave.

MR. USKIW: Well, how many resignations were there?

MR. BANMAN: . . . over the last while?

MR. USKIW: In what span of time do you mean?

MR. BANMAN: I'd have to get that for you.

MR. USKIW: Well, I mean was there one or were there 10, or were there 15?

MR. BANMAN: There were five vacancies over that period of time, and I'd have to get the exact period of time that the member is talking about, th these five vacancies.

MR. USKIW: Mr. Chairman, from October of 1977 how many resignations did he receive and accept?

MR. BANMAN: I'd have to take that as notice.

MR. USKIW: Well, Mr. Chairman, it seems to me it's somewhat unusual in a small department to have a large number of resignations. It would seem to me, indicate that there was some problem with respect to the new policy of the government that would motivate people to submit resignations en masse. It's obvious, from reading the information put out by the department and looking at the Estimates, that people that were serious about the co-operative movement in Manitoba would be terribly frustrated with the role that they were to play if they stayed in this Department. I think that the fact that they have decided to leave probably demonstrates more than any other factor, Mr. Chairman, that this government has no particular desire to have a very strong Department of Co-operative Development, in that in essence the government is merely doing the least that has to be done, or that they can get away with doing, in maintaining some sort of a public profile in recognizing the co-operative movement in this province.

I think, Mr. Chairman, that that is a very sad situation because there are areas in Manitoba where there is a real desire, strong desire on the part of groups of people to organize their businesses in a co-operative way as opposed to the corporate way or as private investors, and that it would seem to me, Mr. Chairman, that they should have as much government support and input as do the people that the Department of Industry and Commerce relates to in a big way. It seems to me there should be no distinction between those two categories of entrepreneurs. The fact that one group chooses to work collectively while others choose to work individually or through a corporate share structure, that's here nor there, that shouldn't have an effect on the kind of support services that are available from government. But here it seems to me we see a clear distinction, where in the one end the Department of Industry or Economic Development is very aggressive and keen and is prepared to give, Mr. Chairman, millions of dollars away in support of private investors, private entrepreneurs, while at the same time people involved in our economic development on the co-op principle see a diminution of government support services.

It seems to me that that is just not fair, Mr. Chairman, and I think it should be pointed out that if this government feels that there should be no co-operative development in this province, then they should legislate them out of business, Mr. Chairman. They should probably scrap this department. You know, it's one of those situations where we starve them to death. That's how I see these estimates and really, Mr. Chairman, it leaves us not much more to debate because it is difficult to debate a non department. It is very difficult to enter into debate about program when there is no program. —(Interjection)— Yes, absolutely, it's futile to discuss something with people that are hung up ideologically and don't provide for some degree of flexibility and discretion on the part of the general public who want some options as far as how they want to make their investment and how they want to contribute to the economy of this province. If the Conservative Party wants to have it one way that's fine, but let's recognize it for what it is, and let's not respect it, Mr. Chairman, because it is not respectable.

MR. CHAIRMAN: (e)(1). The Member for Logan.

MR. JENKINS: Thank you, Mr. Chairman. I'd just like to make a few comments on this item before we pass it. As I stated last year I thought when we had an over 50 percent reduction in the estimates of the Department of Co-operative Development that the then Minister was presiding over the last rites of this department. I think that it has survived but in a very weakened form and I expect that next year we will have a page here edged in black with three letters, RIP, rest in peace.

Given the support that the government has shown in the past two sets of estimates that they have prepared, the Department of Co-operative Development is not slowly but rapidly disappearing. It will as the Member for Lac du Bonnet has said, will disappear. It will probably wind up again in a room somewhere in the Legislature as it was many years ago when it was a branch of the Department of Agriculture with no Minister, just I believe 2 or 3 people working in it, and I might say that when my wife first came over to this country after the war the first job she had was in the Department of Co-op. She worked for a Mr. Darwin Chase and an Edmund Frochet and it was a very small department, and I can see the trend that the Conservative government of the day has embarked upon, their priorities are certainly not in the field of co-ops or credit unions. Their estimates certainly bear that out. They are busily giving it the coup de grace. It will, if not this year, be within the next year or two disappearing completely.

Now I have to agree with the Member for Lac du Bonnet if this is the esteem that the present government holds this department in, then I think perhaps it should be abolished and if the Conservative government are not that interested in developing the economy of our country and of our province, and certainly the field of co-ops have been one method of economic development in this country, and they have done an admirable job as can be expected given the fact that most governments in this country have been private enterprise oriented and it's remarkable that the co-operative movement has developed as well as it has, given the set of circumstances that it has had to operate under.

The Minister boasted about the credit unions increasing in size and I think that's a good thing but given the support that the former government gave it that was one of the big shots in the arm that the credit unions, which are nothing more than money co-operatives, received in this province and accounted for the tremendous growth of the credit union movement within Manitoba within the last 10 years. Prior to that it was not a major factor of economic development in this province and it is sad to see the respect that this government is treating it with. The priorities, as I have said, of this government, are not in the field of co-operative development and it's quite to the point when you look from Page 22, look over on Page 23, you find the Department of Economic Development which has increased its budget from \$27 million to approximately \$32 million in one year and here we find this department now being reduced by a third.

The minister has said that his development officers are busy out in the field. Well, I'd like to know what kind of work they are doing to promote co-ops and credit unions in this province. Does the Minister and this government feel that they have developed the co-ops and credit unions to their maximum in this province? If so, then say so, and as the Member for Lac du Bonnet has stated, then you should abolish the department altogether. Quit playing games with the people out there because I think that if you're not interested at least then come out and say so. You're interested primarily in private enterprise, period. Within your philosophy there is no room for co-operative development or co-operative enterprise in this province and that seems to be the only conclusion that we, as members of the Opposition, can come to. As the Member for Lac du Bonnet and the Member for Rupertsland had said, we really are here just to assist the Minister, I guess as I said when I opened, to administer the last rites to the Department of Co-operative Development.

MR. CHAIRMAN: (b)(1)—pass — the Leader of the Opposition.

MR. PAWLEY: Mr. Chairman, I just wonder if the Minister would like to indicate, in view of what the Member for Logan has indicated and the Member for Lac du Bonnet, whether or not he doesn't see a role for the co-op movement and for his department in encouraging the extension of the co-op movement in various parts of the province where there is a gap presently in economic activity.

MR. BANMAN: Well, Mr. Chairman, there is no question about that, but I think, as I mentioned, there has been a certain rationalization of staff. Mr. Chairman, the members would agree that a department dealing with 30 or 35 people doesn't need a full-time research component, along with all kinds of administrative and personnel people, and if you've got two smaller departments you can lodge them in one. You know, the members opposite tend to, in the last number of years in the House and everything, they feel that they are the champions of the co-op movement. I point out to the members that the largest co-op in Manitoba is in the Town of Steinbach. You know, if you're going to try and paint the picture that this particular government is against co-ops, I just tell you right now that is not right. We have maintained, and will maintain, a number of co-operative development officers, who will be going out stimulating the fishing co-operative movement, the machinery co-operative movement, and also the credit union and Caisse Populaire movement. But, Mr. Chairman, over the last little while we have had certain pretty bad problems in some of these areas: a co-operative such as the South Indian Lake, which we took close to an \$800,000 bath on, where the Co-op Loan and Guarantee Board had to cough up with the money. And we're just in the process now of negotiating the use of that co-operative by the Freshwater Fish Marketing Corporation — they used it last year and they're going to use it again this year — and I think we've got something like, I think, \$30,000 rent on that whole co-op last year. But the staff is in there working with the local people, we are now trying to clean up the problems dealing with the particular taxation on there. I think there is something like \$27,000 in back taxes on that property. The title is vested in the Co-ops Loans and Guarantee Board, and these are ongoing things that we're working with and trying to straighten out.

So I would just point out to the members that we have what we feel is a good complement of staff in the Co-op Development Services Branch, which will be out there, not only helping the existing credit union infrastructure, but also talking to any people who are interested in creating a new co-op.

But there's one thing that has to be pointed out, and that is the fundamental of the co-op movement. If you have a group of people who, by the courage of their conviction, are ready to go out and form a credit union, it's those people who make that thing happen. The department is only a vehicle which will help them in showing them the regulations, and showing them the proper procedures to follow. But in the final analysis, it's the people out there, just like anybody opening a small enterprise, that will have to make the thing go. And there is no way that this department can hire enough staff to make sure that a lot of marginal co-operatives can go. We will give them the help that we can, but we cannot make them go, and operate them on a day-to-day basis. I think that was the philosophy that was used by the previous government, and is used here. I don't think that we want to get involved in managing these particular co-ops. We will give them every assistance we can, and we feel, within this particular staff component, we have enough people to do that.

MR. PAWLEY: Mr. Chairman, I would like to indicate to the Minister that I'm not speaking about the Steinbachs, and the Altonas, and other trading centres within the province of a major size, that they will, I'm sure, if interested in a co-op, they'll initiate one themselves, and in most cases, they have done so, and have done so quite well.

But I just would like the Minister to indicate what his objectives are, because he referred to rationalization within his department. I find it very very regrettable that once, what was a healthy and active department, and I feel had some of the best public servants in the government of the Province of Manitoba, has lost so many of those public servants. And many of them, I think it's pretty well known, left because they were demoralized by the lack of any initiative or purpose or thrust on the part of this government pertaining to co-ops. There was no longer any soul to the department — no soul to the department.

And, therefore, I would like to have specifically from the Minister what research is presently under way in order to ascertain whether or not the co-op movement can, in fact, provide economic benefits to some of the communities in Manitoba that we would look upon as communities of high unemployment, little economic activity. Is there research that's presently under way in order to initiate some economic development in those communities of a co-operative nature, or is the Minister assuming a laissez-faire attitude as so much of this government is in respect to various areas of

economic activity?

MR. BANMAN: Mr. Chairman, we are constantly involved with people who are enquiring about the co-op movement; we are servicing some 13 fishing co-ops in northern Manitoba, and there's an ongoing program to show people what is involved in forming co-ops. But, as I mentioned before, there are certain areas where we have had experiences which indicate that, if the people in that particular area — and I'm talking a group of people — who, by the courage of their conviction, if I can use that phrase, are not willing to put in their own time and effort in that particular thing, there is no way the department can move in and set up these things without having that local input. But there is a constant, ongoing dialogue with the different people in that area, and that is exactly what the co-op development officers are doing.

MR. PAWLEY: Mr. Chairman, the Minister's comments do cause me some concern. He has indicated that if communities come forward, and individuals have demonstrated they're prepared to put in time and effort, then, in fact, his department becomes involved. The communities which I would anticipate that he would receive some call from are those communities which have an established co-op, such as Steinbach, that he made reference to earlier; communities that already have a substantial co-op movement established; communities in which there has been a great deal of educational work insofar as co-ops.

But what I am interested in is whether or not the Minister has any program to initiate discussions as to the advantages of co-ops in various communities which have not enjoyed any tradition or background of co-op enterprise, or co-op activity, to illustrate to them the potential advantages of co-ops, and then, after doing so in an educational way, to provide to those communities the techniques and the assistance by which a co-op can be developed.

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: Well, Mr. Chairman, just to give the honourable member an idea of the different areas that we service, we're looking at Madison Island; out of the 13 I can read off the whole list but it's Madison Island, Eddystone, Easterville, Norway House — these are all fishing co-ops that we're looking at. Also, if you want to talk about individual co-operatives that we're talking about — we're talking about Wabowden, we're talking about Thompson, we're talking about Gillam, we're talking about Manigotagan, we're talking about a whole bunch of different co-ops that were involved on a very routine basis.

MR. CHAIRMAN: Leader of the Opposition.

MR. PAWLEY: Mr. Chairman, it seems to me that the minister is falling back on the existing co-ops, co-ops which I believe would have been initiated even before the term of the New Democratic Party government. I'm interested in initiatives.

If we are in fact to justify moneys for this department, what initiative does this department have at this point to develop any new thrust? Is it simply going to maintain the existing thirteen co-ops which have been established for many many years or is it intending to develop any new thrust, any novel economic activity in those communities that are in need of co-operative development?

MR. BANMAN: Well, Mr. Chairman, the department traditionally, I believe, has been one of being somewhat response orientated. If there are a group of people within the community that want to go ahead and form a co-operative or the need arises for information from the department, that's when we act. We have, in certain areas, such as the housing area, there was a push on to create co-op housing. That particular area is headed by CHAM right now and they are experiencing certain problems because of the high vacancy rates throughout Manitoba. But with regards to other things, I guess the only one that comes to mind that really sort of, if you're talking about beating the bushes, the only other one is the Boni Co-op which was initiated a couple of years ago.

MR. PAWLEY: Mr. Chairman, what I am concerned about is again that the Minister has indicated that his department is only responding to initiatives from the field and I say to the Minister that the initiatives that he will receive from the field will be in those communities that already have a developed co-op, an existing educational program in the co-op movement, and sure, he will receive initiative and requests and enquiries there, but does the Minister not have any plan or any research as to those many many communities which have no co-op activity, but have unemployment rates of 60, 70 percent, a lack of existing retail outlets, in an effort to ascertain in what way the co-ops

can contribute to those communities, or is he simply awaiting some enquiry to float into his office from such communities?

MR. BANMAN: Well, Mr. Chairman, we appreciate there is a problem in some of these communities but you can't go in like we did with the the South Indian Lake or the Gardenhill and these different co-ops and lose fairly large substantial amounts of money by subsidizing those particular operations. We're working with those particular people in the instance of South Indian Lake, now that the particular facility is operating, but it's being operated right now by the Freshwater Fish Marketing Corporation and we're getting a token rent on that. But the department is basically response orientated. If people come in or there are people in the area that show an interest, those are the people we're going to go after, because I don't think we can force feed this particular issue.

MR. PAWLEY: So in fact what the Minister is indicating that, a) there is little if no research, b) there is no plan under way in order to extend co-operative activity in various communities except to respond to some initiative. And if I can say so and the Minister can challenge this, I would enjoy hearing his comments, that really there is no thrust within this department; this department that is supposed to represent co-ops, represent the co-op point of view, and to feel genuinely enthusiastic about the fact that co-ops can develop economic activity that can benefit people as an alternative to both the public and the private sector as a compliment, let's put it, to both the public and the private sector, that there is no thrust, there is no enthusiasm, it seems, within this department, to do that from what I can gather from the Minister's comments. But the Minister wants money?

MR. BANMAN: Mr. Chairman, I have to say to the member that we've got a bunch of enthusiastic co-op development officers and we've got a bunch of enthusiastic people that are willing to work with people who are interested in developing a co-operative in the Province of Manitoba, but that we cannot get involved in going ahead and providing different subsidies and different managerial skills which these co-ops have to develop themselves. We have had enough problems in the last while with certain co-operatives that were not based on a sound footing and I think that this particular Minister and this particular government are 100 percent individuals who want to take the initiative and form the co-ops. If we can encourage them in any way, we will do that, but we cannot go out there and create these co-ops and then have them find a year or two or three later that they are in trouble and they can't manage on their own. They are another form of enterprise in the Province of Manitoba and they play a very important role there, but the department cannot go out and force feed it.

MR. PAWLEY: Well, Mr. Chairman, what distresses me on the part of the Minister's comments is that he likes to refer to some failures and more or less indicates then that it is necessary to hold back, to permit those generally from communities that are already well based in the co-op movement to come forward and not exercise any effort to extend or develop the co-ops. It seems to me that if the Minister wants to pursue that line of reasoning, then there is something sadly wrong with private enterprise in Manitoba. Maybe we should terminate any further assistance on the part of this government, that he is a member of, towards private enterprise, because last year the amount of bankruptcies in private enterprise increased by 40 percent over 1977. Many private entrepreneurs went bankrupt, financially impoverished from their economic activity. So is the Minister indicating that due to the fact there may be a few failures in communities which we would describe as disadvantaged, there has been a few fingers burnt, that there is no longer any desire on his part to develop any thrust or initiative in those communities?

MR. BANMAN: Well, Mr. Chairman, the staff has provided me with some figures here which just indicate what has happened for instance in the Credit Union movement over the last number of years, even though we have had as the member says, eight years of aggressive pursuing the incorporation of . . . and I'll deal specifically with the Credit Union movement. In 1969 there were 235 Credit Unions, and it's been a slow winding down until we have 174 today. That is, every year, there is a few less, so if we're looking at straight statistics, what has happened is that there's been a slow merging, and the expansion basically has been one of branch operations in the province. So what has happened is that there has been a sort of pulling together and strengthening of existing financial houses as far as the Credit Unions are involved. The membership and assets, of course, have gone up quite considerably over that little while.

But dealing with the Leader of the Opposition's questions, we feel that this particular group of people, with the development officers that we have, with the Deputy Minister, who has a knowledge of the co-op movement, we can provide the service that we feel will meet the needs and meet

the obligations which the different people in the co-op system and the Credit Union system will place on this department.

MR. PAWLEY: Can the Minister indicate whether there's any effort to develop any . . . am I then to understand the Minister that there is no initiative, no thrust — there's only a response orientation — any longer within his department, it's only serving the existing co-op base.

MR. BANMAN: Mr. Chairman, to this extent, that we do go out and we do travel the north quite extensively in dealing with the different northern fishing Co-ops. We stop at different locations throughout the north, and basically, as I mentioned before, the department is one which acts upon the requests of the different people responding to requests.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, that's the very point of our criticism, that the department is now back to the old routine of pre-1969, and that is that they have moved back from being an activist department to a very passive one, caring not whether or not there is a major role played by the co-operative people within the economic structure in Manitoba.

I would like to ask the Minister what his thoughts are with respect to the department's role in educating people to what co-operatives are all about to begin with? What is the educational component of his department, where is it, how much money is he going to spend on it, what is the program to inform people of what co-operatives are all about, how they function, how they are an alternative economic mechanism, what section is that in these Estimates, Mr. Chairman? Can the Minister point to me, which it is, and how much money is going to be spent in that area?

MR. BANMAN: Well, Mr. Chairman, without sort of starting to jump all over the place, we give a grant to, for instance, the Co-op Housing people, who then go ahead and promote co-op housing. The Credit Union Movement is promoting co-operative development; we have the Co-op Promotion Board, which is part of the group which is also involved in promoting co-ops. But if the member is referring specifically to the Curriculum Program that was developed awhile ago, that particular material is in storage right now, and we are in the process of tendering that material to see who would want to buy it.

MR. USKIW: Mr. Chairman, I am rather intrigued by that last statement of the Minister. He is telling us that there is a grant to the Co-op Housing Association; there are Credit Unions that promote the co-operatives in Manitoba and there is a Co-op Promotion Board; and then he's telling me that there is an educational vehicle that's been in limbo for some period of time, and he is now considering whether he shouldn't offer to sell it to some interested people. Mr. Chairman, if we have an educational vehicle, it seems to me that it's not very logical to put it up for sale, but rather that it would be logical for the department to make it available to the school systems at all levels of education so that indeed does become part of our curriculum program within the school system. Now, perhaps the Minister wants to clarify for us. Surely he isn't telling us that he has an educational package that he is hiding somewhere, but he's prepared to sell to someone who might be interested in knowing something about co-operatives in Manitoba?

MR. BANMAN: Mr. Chairman, a number of years ago, the previous government embarked upon a program, and I think we were through it with the previous Minister who was responsible for Co-operative Development, and I guess we'll go through it again.

The previous administration was involved in developing a Curriculum Program, which I guess they envisioned they would have the schools in the province of Manitoba adopt as part of their curriculum in the school system. That particular program, Mr. Chairman, cost the taxpayers of Manitoba close to a million dollars. —(Interjection)— Mr. Chairman, I think we have something like 50,000 pounds of material lying in storage at this time. The Minister of Education, Mr. Chairman, has sent to the different school divisions throughout Manitoba copies of this particular program, and has asked them if they would want to include it in their curriculum. To date, we have not had any response on that particular matter.

The Minister of Education has taken the position that the books, and I guess we went through this last year, that that particular program is one which is of a voluntary nature, and that he is not going to say to the school boards that you have to include this as one of your curriculum projects. That might be a difference of opinion between the previous administration and this one, but the Minister of Education has said it is an optional program, if you want to avail yourself of the material

we've got it. To date, we haven't had any takers.

MR. USKIW: Well, Mr. Chairman, the Minister tells us that almost a million dollars was spent in developing a curriculum project or a curriculum capacity on co-operatives for the school system in this province, but that he feels that the only way that it should be distributed is if some school division asks for it. Mr. Chairman, that's a pack of nonsense — that's not the way you educate your people. Educational material has to be available in every school program; whether or not everyone is interested in it, that is irrelevant, Mr. Chairman.

The universities must provide education on every conceivable subject that one could dream of, because that is what education is. Now this Minister has information, 50,000 pounds of it, sitting in some storage that should be dispersed and distributed to the school system. Mr. Chairman, this department had a staff component which was to go to every school division to introduce the subject material, because obviously, unless the school divisions were knowledgeable of what this is all about, they wouldn't know whether they want it or not. There was a staff component attached to this that were going to visit every school division; they were going to show them what this is all about; give them the purpose of the program, in order that every school division was fully exposed to this information and that the student body was not going to be denied this kind of information. Now, Mr. Chairman, it seems to me that we're right on target when we say that this government doesn't want to enhance the role of the Co-operative Movement in Manitoba. It is very evident by the fact that they are hiding a million dollar package — yes, hiding information — keeping it away from school children, Mr. Chairman, who should have this information.

You know, when you read the school texts, you read all about different sorts of economic systems, Mr. Chairman, but I can tell him, Mr. Chairman, that most of it — if not all of it — is weighted on the other side of the ledger. Non co-operative, extremely capitalistic, nothing that is identifying with the collective options that should be available to any modern society.

Now, Mr. Chairman, it seems logical that if in your school program you're going to be discussing banking, Mr. Chairman, I think that it's logical that in the school text that the student should have the right to have information on the banks, how they originate, what their function is, who owns them — but they should also have the information on what are the alternatives in banking, and how do they function, side-by-side, Mr. Chairman. We are not arguing that the other should be excluded, we are merely saying that the co-op structure should be included in the educational material that is provided to the school system. Likewise, Mr. Chairman, if in your school program you're going to be talking about different methods of providing services, Mr. Chairman — (Interjections) — Mr. Chairman, it would be good if we had some order.

MR. CHAIRMAN: Order please. The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, if in the school books you're going to talk about providing services, there are two ways of providing services, or perhaps three: There's a government, there's a private entrepreneur, there's a co-operative system. There are three options available. All of those should be in the school text. If education means anything it means that all the information should be available to the student body so that they can choose as they are growing up, the kind of option that they would want, the kind of social economic environment that they would want to build. That's what education is for. But, Mr. Chairman, if you look at the text, you will find that we have a long way to go to bring a balance into the text books, a balance that would give the student body clear options — yes, what is the role of government, what is the role of the co-operative system, what is the role of private entrepreneurship — all of those should be there, side-by-side, Mr. Chairman, side-by-side.

Mr. Chairman, I recall an incident, it happened during the term of my office as Minister in charge of this department, and I had a delegation complaining to me that they had a hard time, a very difficult time in convincing a bank to establish a branch in their town. So I said to the delegation, "Why are you worried about convincing a bank to establish a branch in your town? Why don't you set up a bank?" Mr. Chairman, this delegation knew nothing — absolutely nothing — about what I was talking about. They were absolutely flabbergasted that that was in the cards. They said, "Well, how do you set up a bank?" "Well," I said, "you set up a Credit Union. If you feel that you want a local banking service, and you feel that no one wants to provide it for you, that you've canvassed the banks and they don't want to do it, you do it. Furthermore, you should do it any way, even if the others are willing to do it, that would be my option." Mr. Chairman, that delegation went away from my office and within six months we cut a ribbon in that community and within another six months, they took a good portion of the neighbouring town's bank deposits over to that Credit Union.

But, Mr. Chairman, what are we talking about? We are talking about education. We are talking

about the ability on the part of the people in all parts of our society — rural, urban, northern — the ability to understand their true options, and how they can be involved in our economy. And if there's any meaning in education, Mr. Chairman, it is that it should give the fullest revelation as to how things can be done by people, that is the real purpose of education.

Now unless, Mr. Chairman, some group — some people — believe that they don't want people to be fully educated, yes, unless that is the feeling, that they don't like all of the options to become known because if that becomes the case, then we will not have the dominance of certain economic activity in this province. It may be watered down to other forms of economic activity, yes, there's a fear of that.

But, Mr. Chairman, we have a responsibility as a government to make sure that our society is educated to the hilt in every respect. That is our responsibility as a government. In that vein, Mr. Chairman, the previous government decided to try to bring about some balance of information to the school program with respect to the options that are available in economic development and participation; the part of individuals or groups of people in the business community, whether it be banking or grocery store operations or lumbering or fishing, it didn't matter what it was, but the option should have become very open and clear and certainly should be known to the people that would have an interest. And that is why, Mr. Chairman, we set out to develop a curriculum program that would change the educational input so that people might have more information at their fingertips. They would make their decision as to what they did with the information, Mr. Chairman, after looking after the options, whether they wanted to become part of co-operative enterprise or not would be up to them. But certainly they should know the do's and don'ts, they should know how to do these things and they should have the support of government in wanting to know and wanting the information and they should be receiving it from this government, from any government, Mr. Chairman.

MR. CHAI for AN: (b)(1)—pass. The Honourable Member Rupertsland. The Member from Lac du Bonnet.

MR. USKIW: So, Mr. Chairman, I ask the Minister whether or not he wouldn't reconsider his present position, at least I believe I understand him, that he is presently not prepared to offer this material to the school system, that it is being held in storage and that there is no input, no staff available — I ask him if there is any staff that is prepared to go to the school divisions to introduce this material to the divisions.

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: Mr. Chairman, I think about a year the particular material involved was sent to, I believe, every school division . . .

MR. CHAIRMAN: Order Please. The Honourable Minister.

MR. BANMAN: By the Department Co-operative Development. It was sent to them, there has been very little response, the Minister of Education has taken the approach in dealing with this matter that it will not be force-fed on the schools. In other words, that he will not deem that this is part of the curriculum. So to date what has happened is that this is an optional course that the School Boards, if they in their wisdom feel they want to put on the curriculum, will put on the curriculum. To date we have had no response or very little response with regards to that program. That is the position the government has taken, that the Minister of Education has taken, and that's the position of the government at present.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Well, Mr. Chairman, one has simply to ask, was it sent on horseback, in the mail, Mr. Chairman, how was this information conveyed to the School Divisions? Would the Minister know how this information was conveyed?

MR. BANMAN: I understand, Mr. Chairman, maybe it should have been sent by horseback, it would have gotten there much faster than by mail, but I understand the material was sent to all the school boards by the Department of Education.

MR. USKIW: Mr. Chairman, I wanted to pursue that point. Was it delivered by any staff of this department or was it just simply dropped in the mail?

MR. BANMAN: I'll have to get that answer for the member. All I know is that it was included in the newsletters and different . . .

MR. USKIW: Yes, but, Mr. Chairman, is the Minister aware that there was a staff component attached to this whose responsibility it was to introduce this subject matter to the school divisions — is he aware of that?

MR. BANMAN: With the previous government, I understand yes, Mr. Chairman, there was.

MR. USKIW: All right. Mr. Chairman, can the Minister tell me what happened to that particular group of people who were charged with that responsibility?

MR. BANMAN: They are no longer with the department.

MR. USKIW: Well I realize that, Mr. Chairman. What happened to that group? Why are they no longer there?

MR. BANMAN: Well, Mr. Chairman, I guess we go back to last year's Estimates again — at that particular time it was decided by the Minister Minister of Education, by the Minister of that time, that the books would be made availabz to all the school divisions on a voluntary basis and that the Minister of that time, and I think that if go back to last year's Estimates, the decision was made at that time that the school boards who wanted to take that particular advantage would do so and at that time, I would imagine and I would have to check back, some of that staff was let go.

MR. USKIW: Mr. Chairman, the Minister is a entrepreneur in his own right. Does he want to make us believe in this Committee that in the selling of his cars in Steinbach that he would simply send his potential clients a letter that he has a car for sale? Or is he going to do a little more than that, Mr. Chairman? Is he going to try and promote his product so that everyone is fully aware of what his product is, what the advantages are of purchasing his product? I mean is there no responsibility on the part of the department, Mr. Chairman, to convey to the school divisions what the logic was of bringing this curriculum program into being, what the government's interest was in it?

MR. BANMAN: Mr. Chairman, let me just say to the member that the Department of Education is responsible for the curriculum in the Province of Manitoba. What has happened here is that we have expended large sums of taxpayers' money in developing a program which I don't know if it was the intent of the previous government to force on the education system or if they were going to include it as part of a mandatory course within the system? This government has taken the approach that this particular project is available to the school divisions, if they want to avail themselves of it, and that's the long and the short of it.

MR. USKIW: Mr. Chairman, the Minister must know and if he doesn't I will tell him, that that was not a program that was developed unilaterally by the Department of Co-operative Development. It was a joint effort by the Department of Education and the Department of Co-operative Development, who put that package together for an educational purpose, Mr. Chairman, an educational thrust to fill the void that existed in the educational program. That was the intent of that, Mr. Chairman. Staff were employed to introduce the subject to every schooldivision and yes, to leave it up to the school division as to how much of the material they would use, but to properly introduce the subject to the teaching profession, to the principals, to the superintendents.

There is no doubt in my mind that if you simply send a letter and a bundle of material saying use this if you can or if you wish, that that doesn't get a great deal of attention at the point where it is received, Mr. Chairman. Mr. Chairman, very few people in business market a product that way. But we are not even talking about marketing a product, Mr. Chairman. We are talking about a government responsibility to make sure that in our society people are totally aware of all of their options of their participation in our economy. That is the least we can do through the educational system. And if this Minister is trying to tell us, Mr. Chairman, that they think that co-operatives are good, they are desirable, we support them, Mr. Chairman, that is a very poor way to show it. It's a disgusting attitude on the part of a government who has a million dollars worth of information

for the school children, who are denying that information from the school children because of some ideological hangup of their own.

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. BOSTROM: Thank you, Mr. Chairman. I would like to follow up on the comments by the Member for Lac du Bonnet. Mr. Chairman, I believe we are talking about twotypes of approach in terms of this project and it is indicative of the attitude that the Progressive Conservative Minister of this department, the Progressive Conservative government, has towards education, the attitude they have towards co-operative development in the Province of Manitoba.

We asked earlier, Mr. Chairman, we made comments earlier regarding this province, this department, this Minister and this government's attitude towards the development of co-operatives in Manitoba. We made the point that this Minister and this government are intent on killing the Co-operative Department in this government. And, Mr. Chairman, we have no better example than this particular project, the project on the co-operative education project. This was a joint project of the Department of Co-operative Development and the Department of Education. Its main aim was to provide supplementary material on co-operatives to be used by teachers in Manitoba schools as a resource to teaching existing subjects, to give them another bit of information on the kind of enterprises that are available to them as adults in modern society.

And, Mr. Chairman, to ensure that the material that was finally produced was objective, factual material, it was developed in conjunction with the Department of Education, in fact the Department of Co-operative Development at the time relied very heavily on teachers from the school system to act as authors for the material and also to review the material, to ensure that it was factually correct and relevant material for the classroom.

Mr. Chairman, I'll read from a 1976 annual report of the Department which gives a clear example of the different approach that the previous New Democratic Party government had with respect to this project. We stated in this annual report and I quote, "When the material has been completed, it will be distributed to all Manitoba schools and should a school division or school wish to undertake a pilot project in the area of co-operative studies, resource personnel will also be made available to them." Mr. Chairman, we went on to state that, "Teachers will be supplied with a list of resource person from co-operatives and credit unions in their immediate communities and from the Department of Co-operative Development. These resource people can then assist the teachers by giving talks in the schools and by organizing field trips and other activities."

Mr. Chairman, this was not a project to force something down people's throats. It was a project to give more freedom to the people that are in the school system, to give them another opportunity to learn something new and different, something that is not, and was not then available in the school system. Mr. Chairman, it is pretty clear from the non-response that we received from this Minister that his intent and the intent of the Minister of Education, if he is speaking for him, and of the Progressive Conservative government, is to shelve this material in some backhouse, warehouse in Winnipeg or wherever and leave it there unless somebody specifically comes forward and asks for it. Well, Mr. Chairman, no one will ask for it if they don't know where it is.

Mr. Chairman, if this Minister claims that he has made the material available to the schools, and I mean by made available, that is he has clearly indicated to the schools exactly what is available to them, so they would have a freedom of choice in this matter and not just a brochure in the mail, which ends up in the junk mail basket of a superintendent or on a principal's desk.

Mr. Chairman, the only way to properly promote this program is the way in which the New Democratic government of the day intended to promote it and that was to send resource people out to the schools to take a sample of the complete set with them, to go to the relevant staff within each school. In the case of the Co-operative Outlooks social studies kit, it would have been to take that kit to the Social Studies teachers in that school and outline what was available to them, tell them how they could obtain the copies and, Mr. Chairman, reveal the other information that is available as extensions to the project and that is the resource people that are available, not only from the department, from the government, but from the co-operative movement generally within their community and within the surrounding area.

Mr. Chairman, there is a Co-operative Outlooks business kit that is available and from my information, Mr. Chairman, this kit was an objective curriculum for the co-operative and how it fits into the business community and it was for use in business, marketing and economics courses in high schools. Well, Mr. Chairman, if this kind of material, and I believe it is excellent material, I believe that if the Progressive Conservative government wanted to follow what seems to be their natural instincts and sell the material, it could even be sold.

It could be sold to other provinces even that would be happy to obtain such a wealth of material and such well prepared material. I'm sure that other provinces, I'm sure the Province of

with a much more progressive government than we have in Manitoba, would definitely be interested in using this material. But, Mr. Chairman, I believe that the material should be made available in Manitoba schools — and that this government, and this Minister in particular, should be making sure that the material is available, and not rotting away in some warehouse in Winnipeg and not being readily available to people.

And this is the height of all ignorance, and the height of all irresponsibility, to allow this material to just be absolutely wasted, rotting away in some warehouse. It's exciting, very useful material that could be used in the classrooms in Manitoba. I happened to have a look over some of the materials that are available, some of the slide presentations that are available with this project, and, Mr. Chairman, it's excellent, innovative, creative material. And it's just absolutely ridiculous that this government should be so ideologically locked in to a set of 19th century ways of governing, that they should reject the idea of making this material available to schools.

They're not about to actually follow the courage of their convictions, and say they would just like to get rid of this stuff, to burn it, or something. But, Mr. Chairman, they're content to let it rot in some warehouse, and not make it available to people. And, in fact, Mr. Chairman, the Minister was not even clear as to what they had done so far. First of all, he said the Minister of Education sent the material out to the schools. And when he was pressed further on it, he had to admit that he didn't quite know what the Minister of Education had done, but that Co-op Development had sent examples to the schools.

Well, Mr. Chairman, who sent the examples to the schools, and where did they send them, and how did they send them? Those questions have not been answered yet in this committee, and we want to know what's going to happen to this material. It's a \$1 million investment by the people of Manitoba that should be utilized by the people of Manitoba, not left rotting in some warehouse.

So, Mr. Chairman, we want to know exactly what the plans are for this material; what has been done to date to ensure that the schools know about the material; that the Social Studies teachers, and the Business teachers in the high schools know about this material; that the Grade 5 teachers in this province know that there is a curriculum called "Co-operation in Community Life", that, by the way, is an extension of the Altona Community Study, hardly a Socialist manifesto. Mr. Chairman, it's relevant, useful material, and if the Progressive Conservative government would just take off their blinders and take off their book-burning mentality, and take a look at this material, they would be able to utilize it, and utilize it in the school systems in an effective way.

So, Mr. Chairman, I want to have some more answers from the Minister as to what is happening with this material.

MR. CHAIRMAN: The Leader of the Opposition.

MR. PAWLEY: I would like to know just by what means the Minister has undertaken to promote information pertaining to this material? Can the Minister indicate whether he has had meetings with the Minister of Education insofar as the distribution of this material, and information pertaining to this material, and ways and means of promoting it throughout the school system in the province?

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: Well, first of all, Mr. Chairman, I understand that about a year ago, the Department of Education listed this particular material on the letter, the newsletter that goes out to the different school boards, with regard to the curriculum courses, or curriculum projects that can be offered to the different school boards.

It is also my understanding that the Department of Co-op Development, about a year ago sent out complete sets of copies to the different school divisions in the Province of Manitoba.

MR. PAWLEY: Mr. Chairman, my question is, what meetings has this Minister had with the Minister of Education pertaining to the question of making this material available throughout the school system in Manitoba?

MR. BANMAN: Mr. Chairman, the Minister of Education, in conversation with me, reiterated the position he took about a year ago, when he dealt with this particular matter with the former minister in charge of this particular department, and that was that they would list the particular project on their options as far as different curriculum choices for the different school divisions. Further than that they were not prepared to implement it as part of the curriculum program.

MR. PAWLEY: What was your position?

MR. BANMAN: Mr. Chairman, the Minister of Education is the one that is charged with the responsibility of making sure that the education system is operating properly; the system — and I don't know if the honourable members opposite were going to do that, if they were going to force that particular curriculum program on the school boards. I think the Minister of Education has taken the point where this is an optional program if people want to avail themselves of it. And I may point out that I have met with the Co-op Council of Manitoba, have offered them certain aspects of the program which they would want to promote; they suggested that we meet with the Western Co-operative College out of Saskatoon, the Co-op College, and we are right now dealing with them. They might be interested in using this particular material in promoting co-ops throughout the system.

MR. PAWLEY: Am I to understand that this Minister had no proposals to make to the Minister of Education as to how better this material might be assimilated throughout the school system in Manitoba?

MR. BANMAN: No, Mr. Chairman.

MR. PAWLEY: Is this Minister also indicating that there was no effort at any time to bring about a meeting of officials from his department, and officials from the Department of Education, in order to ascertain if means could be made in order to ensure that this material was made known through the many school divisions in the Province of Manitoba?

MR. BANMAN: Well, Mr. Speaker, I'd have to go back and see what kind of meetings were entailed when that particular matter arose about a year ago, but as far as I know, I have spoken to the Minister of Education, the discussions at that time still stand, and that's where we face right now. The curricula is an optional one which the school boards, if they decide to take advantage of it, can order those particular book also.

MR. PAWLEY: The Minister is indicating, then, that to his knowledge, during the term of his ministry, there has been no meetings, no meetings — correct me if I'm wrong — no meetings involving officials in his department, officials in the Department of Education, in order to ascertain techniques, means by which this material might be better distributed throughout the school system?

MR. BANMAN: Not other than the other meetings that were held with the previous minister. As I mentioned before, we are talking to different people in the co-op movement, and we've been talking to Saskatchewan, and we've been talking to other provinces who might be interested in it, and we're working on that angle. But as far as going ahead and forcing Manitoba school boards to take that particular thing, we haven't come to any conclusion, no.

MR. PAWLEY: Then I wish the Minister would listen to my questions. I've asked no question to him as to whether or not he's met in order to ascertain ways and means of forcing this material upon the school divisions. I've been asking him as to whether or not there had been meetings in order to ascertain whether there were means by which this material can be promoted to the various school divisions in Manitoba.

And I was not asking the Minister whether or not he was attempting to shove this material off onto other provinces, or to shove the material onto the co-op movement itself, but I was dealing with the question of the curriculum within the school system. Can the Minister advise whether or not the Curriculum Advisory Committee to the Minister of Education has dealt with the subject matter of this material?

MR. BANMAN: No, Mr. Chairman.

MR. PAWLEY: Is the Minister saying they have not dealt with this material in the Curriculum Advisory Committee?

MR. BANMAN: Mr. Chairman, as I mentioned, that particular matter was raised about a year ago, when that particular curriculum was put into the newsletter that the department circulates. There have not been any new developments.

MR. PAWLEY: Then the Minister is indicating that there has been no discussion on the part of

the members of the Curriculum Advisory Committee to the Minister of Education involving this program?

MR. BANMAN: As far as correspondence with me, I can say no, but the Minister of Education, I can't answer for.

MR. PAWLEY: Has the Minister of Co-ops made any effort to ascertain whether or not at least this material has been brought to the attention of the advisory committee on curriculum to the Minister of Education?

MR. BANMAN: I have spoken with the Minister about the particular matter, and his particular decision at that time, when he was dealing with the previous minister, stands today. So exactly what he did with the particular program is something that the member would have to ask him.

MR. PAWLEY: Mr. Chairman, I think it's a matter that the Minister of Co-ops should get off his fanny and enquire from the Minister of Education. The Minister of Co-ops is then indicating that he had a discussion about a year ago, and as of that time there was no discussion within the advisory committee on curriculum to the Minister of Education. That's what he is indicating to us. When he discovered that, did the Minister of Education make any effort to attempt to ascertain whether or not there might be a discussion and assessment by the curriculum committee to the Minister of Education.

MR. BANMAN: I can't tell you if the Minister of Education did.

MR. PAWLEY: But did the Minister of Co-ops ask that this be discussed on the part of the advisory committee to the Minister of Education dealing with curriculum?

MR. BANMAN: Mr. Chairman, I deal with the Minister of Education, I don't deal with his curriculum people, and when I speak to the Minister, he's the one that's in barge of his department, and he's the one that makes the decisions.

MR. PAWLEY: But my question is, did the Minister of Co-ops request that the Minister of Education have this material discussed within the committee on curriculum reporting to him?

MR. BANMAN: I didn't, but I would assume that any particular curriculum thing would go through that department.

MR. PAWLEY: Well, you have assumed, but there has been no checking to ascertain whether there has been a discussion. Is the Minister then indicating that he's made no effort to ascertain what attitude the committee on curriculum to the Minister of Education has pertaining to this material?

MR. BANMAN: Yes, in speaking to the Minister. He's the one that answers for his department, and is the person I speak to. As the member knows, you don't by-pass the Minister and go into the department and see what all kinds of people are doing.

MR. PAWLEY: I'm not asking the Minister to by-pass the Minister. If he's had discussion with the Minister of Education, then, can he advise me as to what attitude the curriculum committee advising the Minister of Education had in pertaining to this committee?

MR. BANMAN: No I can't, Mr. Chairman.

MR. PAWLEY: Has the Minister made any effort to find out from the Minister of Education?

MR. BANMAN: Yes, Mr. Chairman, the Minister reiterated his position, that the material would be made available through their newsletter which is involved with the different things that are optional as far as the curriculum is concerned on education, and that's where the matter stands now.

MR. PAWLEY: Mr. Chairman, I think really, we're not getting any answer, because I have obtained from the Minister responsible for Co-ops an indication that, really, he doesn't know what the attitude of the committee on curriculum is. I don't believe the Minister is even sure whether or not the matter

was discussed in the committee. If it was discussed within the committee, then the Minister is indicating that he hasn't found out as to the attitude of that committee pertaining to this material. And I think, therefore, Mr. Chairman, that we're left with only one conclusion; that we have a Minister of Co-ops that's not interested in promoting this material. He's hiding behind a skirt of compulsion, though it's never been raised, the skirts of that word "compulsion". Never did the previous New Democratic Government, the present opposition, propose that this material should be imposed upon the school system.

But what we did anticipate is that there would be some enthusiasm on the part of the Minister of Co-ops and his department in encouraging the distribution of this material and ensuring that school divisions were fully aware of the material. The Minister keeps saying we're not going to force it. There's a big difference between forcing the material and promoting the material to the school divisions. And if the Minister has tons of material piling up within his warehouses, then through his own fault, and I suggest it's a deliberate policy on the part of this government to attempt to put this material to rest because they do not want an opportunity for students within school divisions in this province to study the co-operative movement.

You know, there are plenty of other options that are available within our school system for students to study the stock market, for instance, the market system, the commercial system as such, and yet there is no material that appears to be available involving the co-op movement. This material which, from all reports is excellent, is not being promoted by the person who is responsible for the promotion of same.

And I can only sense from the Minister's comments and answers that he — and I don't want to be unfair to him — but I sense that he's totally unenthusiastic about promoting material in respect to co-ops in the school system. And I therefore charge him with a total lack of commitment and enthusiasm for his ministry. And if he has no commitment or no degree of enthusiasm for his ministry, then I say to him, in fairness to the co-op movement in this province, that he should ask that the First Minister re-assign him to another department.

MR. CHAIRMAN: (b)(1)—pass. The Member for Roblin. Would the Member for Roblin use the mike please.

MR. J. WALLY MCKENZIE: I was listening to the debate for the last few moments, Mr. Chairman, and the pros and cons of if in fact government should be involved in the school system teaching children. I've been one that's advocated for a long time that the business community that I took part, which included co-ops, credit unions, etc., etc. I've been an advocator for a long time that it should be part and parcel of the school system in some shape or form. I never could understand sending brochures or questionnaires around to students, Grade 12 students, during my political life, that they couldn't understand the profit factor. I'd get inquiries back that profits that I was making as a small country merchant would range anywhere from 5 to 100 percent profit. And that, naturally, is a distorted figure, as members of the committee well understand, and one that should be corrected somehow in our school system if it's possible to do it, and I don't know whether it is or whether it isn't.

I'm alarmed from time to time of certain things that come out about the co-operative movement and the way it's operated. I've been in competition with the co-ops and known them to be fair and square, good competition. I was on the central bank of the CCSM for a while, directly involved in our own credit union at Inglis, where we established it. But, Mr. Chairman, I'm wondering, this booklet here that's in circulation your department in any way, shape or form associated with this document, because this Prairie Co-operation shows — it's quite a political document. As I leaf through it I find that the New Democratic Party were the only party that's shown in a forum, in a large group. They show — I think it's the Regina meeting, yes, the party was born in Regina — it shows the convention in Regina in 1920 — I guess that'd be back in '32. And it also shows, Mr. Chairman, we have the New Democratic Party founding convention, it shows them in convention here in 1961. But I don't see any evidence, in going through here, of the other political parties in the province, and I'm wondering if maybe this is maybe part of the co-op movement. On pages 156 is the story of the CCF Party being born in Regina. —(Interjection)— No, not at all. I just wondered if it's part and parcel.

Now I do certainly see Mr. Stanfield's picture in here and Mr. Trudeau's picture in here, but

I just wonder — the other one was page 241, the founding convention of the New Democratic Party at the Fort Garry Hotel. That maybe all the political parties in some shape or form couldn't be associated with the co-op movement, because I say I'm one that has been associated with the co-op at the credit union level, and I don't see in the debates here that one political party has any more interest in the economic development of our province than another. And I would certainly, if the Minister in the Department of Education has seen fit to take the opportunity of offering these courses to the school divisions and they didn't see fit to pick it up, but I'm wondering maybe because of documentation such as this, which is political and highly political in nature and should certainly be part of the school system. So maybe the Minister can answer me if he has any knowledge of this document that I was reading from.

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: No, Mr. Chairman, I haven't gotten involved in that particular aspect of it. I would just like to say, and reiterate that the full particular program was made available to the school system, and if there are some school boards that want to avail themselves of the particular program, we have a supply of books.

MR. McKENZIE: That's the question I had, Sir.

MR. CHAIRMAN: The Member for Lac du Bonnet. The Member for St. Johns.

MR. CHERNIACK: Thank you, Mr. Chairman. I was listening to the Member for Roblin and I borrowed a copy of the same book he has in his hands. I haven't yet found that picture he's talking about. I'd be interested in seeing it, but what I did find — he says page 156. But I did find, the first thing I turned to was a picture of R. B. Bennett, that's on page 151 —(Interjection)—

MR. CHAIRMAN: Order please. The Member for St. Johns.

MR. CHERNIACK: I wish the Member for Roblin and the Minister would realize that their comment under the picture of R. B. Bennett is "the government of Alberta established a co-operative activities branch to incorporate assistant and supervise co-operatives". Honestly, Mr. Chairman — on page 141 I see a great big picture of McKenzie King. I don't know whether that is a matter of criticism. I see that this book — oh, I see the picture. Mr. Chairman, this is an interesting book. I wish the Minister would have looked at it. I wish the Minister would read it. It is a book which is chronological, according to years, and in 1933 there was a political party born. Now there're some members who may not want to acknowledge the fact that there was a party born in 1933, but school children really ought to know about all political movements and how they affect them, and therefore under 1933, page 156, it speaks about the CCF Party born. Mr. Chairman, there will yet be supplements to this book that may show the death of the Conservative Party, and I think it should be recorded. Now, if the Member for Roblin could tell me when the Conservative Party was born, I'll look up that year and see if I can find it.

My point being, Mr. Chairman, that in our school system of today in Manitoba we should not fear the introduction of information, factual information to our children, with the opportunity for them to interpret, along with the guidance of teachers and others. The Member for Roblin and other people who have a deep interest in the community as he has shown by what he said earlier, should be happy that there are opportunities being given to the children to learn current history and to discuss it. This book, as I see it, gives the concurrent development in each of the provinces of Manitoba, Saskatchewan and Alberta, in each of the years related to the growth of the co-op movement. I see Manitoba Pool Farm Supplies, Saskatchewan and Alberta, all across the board, and for the member to pick out the birth of the CCF as turning this into a political document is absolutely nonsense, Mr. Chairman.

It seems to me that he should be interested, as the Minister should be interested, in making sure that school children, that all people but especially school children, learn something about the co-op movement. His very Estimates book reads, "The co-operative development control provides assistance to groups committed to the development and improvement of co-operatives in Manitoba." That's his job. His job is to promote the development of the co-op movement. Maybe he doesn't believe in it. And Mr. Chairman, you know, I will not repeat for the record what he said off the record when the Leader of the Opposition said that he ought to get the First Minister to have him

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But I was in the other committee, Mr. Chairman, so I apologize if I'm asking any of the questions the Minister has already answered. But it seems to me that when you have a resource, a teaching tool such as appears to be available to the department for it to be trying to peddle it elsewhere is denying to the children and to the teachers of Manitoba a tremendous opportunity to use an advanced form of education. And let me tell the Member for Roblin that I believe that there should be the widest possible availability of teaching means for discussion in the schools. After all, that's what kids are supposed to have, not be spoon-fed but be challenged, be challenged to learn and to question and to review, and I think that that is very important. So if there's something that is not in accord with the member's interpretation of history as it is shown in this book called "Prairie Co-operation", then by all means he should talk about that and deal with that. And I think that that's the important thing, Mr. Chairman.

MR. CHAIRMAN: If I could suggest to the Member for St. Johns, he was quoting from Resolution 35. We're dealing with Resolution 34 1. (b)(1). The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, you're referring to different resolutions, I'm talking about the work of the Minister of Co-operatives. He surely can't say that what he is required to do under Item 2 he is not required to do under the general administration of his department. I was just referring to his own words in his own Estimates as to his oole. I hope you're not taking away from him any responsibility for promoting the principle of the co-op movement, no matter which resolution you're dealing with.

MR. CHAIRMAN: (b)(1)—pass. The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I would like to ask the Minister whether he would be prepared to provide the political parties of Manitoba with one set of these documents?

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: Yes, Mr. Chairman.

MR. USKIW: Thank you, Mr. Chairman. I haven't seen the final documents that were prepared or put together under this project, and I would certainly be interested in going through them page by page. But having seen just two of them, Mr. Chairman, I would ask the Minister another question, whether he would be prepared to put this item on the agenda of his Cabinet or ask the First Minister to put it on the agenda with the Clerk, so that they may take a more thorough and learned approach to the question of what value might be found in this material which cost the people of Manitoba as he said — and I don't know what the real figure is — but he said near a million dollars. And how is it best to disseminate this information to interested groups in Manitoba, school divisions, co-operative groups, potential co-operative groups, etc.? Surely this is an excellent teaching guide for people who have not yet become members of co-operatives but who are putting co-operatives together.

One of the things that I think the department could do, is provide such groups with this kind of information, so that they can fully understand what the co-operative movement is all about, Mr. Chairman. But more important than that, I believe it's incumbent on the part of the government, who now has this information, to make it available to the school divisions, not on the basis of a letter, Mr. Chairman, that has gone out to the school divisions indicating the availability of material on co-operatives. Mr. Chairman, this kind of material to be properly presented, has to be presented by people from the department, who would take the time to sit down at a school seminar in each division and discuss teaching aids and ways and means that would be employed to bring the fullest possible benefit to the student body, who would be interested in this subject.

Mr. Chairman, in the school program, these subjects are taught from Grade V up — I believe it begins at Grade V. And this particular document, which I understand is a Grade V document, has a wealth of information for young children, who would want to be well-grounded on the concept of co-operative development. Now, why any government would not want this information in the classroom, Mr. Chairman, is beyond me; excepting if it was some right wing dictatorship in South America perhaps. But in Canada, Mr. Chairman, I couldn't imagine — in Canada, I couldn't imagine why any government wouldn't want to put this into the classroom and make it available, if not in each classroom, in the library or as a teaching aid to certain grades, certain teachers. I just couldn't imagine why that wouldn't be the case and especially, after the province has spent, as the minister says, nearly a million dollars to put this together. An important lesson in history is in these books, Mr. Chairman. The early development of co-operatives in Canada, the reasons for their development, the economic conditions of those times, the evolution of the co-operative movement; all of these things are well documented and really present to me at least, Mr. Chairman, the most learned pieces of material on co-operative philosophy and the ways and means of developing co-operatives, that our students might want to pursue as an alternative to other forms of economic involvement on their part.

So, Mr. Chairman, I don't believe that we have to ask this minister to do it. I believe we have to tell him that it's his responsibility — it's his responsibility to make certain that information readily available should be disseminated throughout the school system in a way which would make certain that it reaches the classroom, Mr. Chairman. He should make certain that it reaches the classroom. If he does not do that, Mr. Chairman, he should not be the minister of this department. No, Mr. Chairman, if he feels that this material does not belong in the school system of Manitoba, I will ask for this minister to resign, Mr. Chairman. Yes.

MR. BANMAN: Well, you know, Mr. Chairman, the member can ask me to resign, that's his privilege, but you know, he says that this has to be made available to the school divisions — that's what I've been saying all night, it has been made available. There has been over 1,100 copies of what he's got in his hot, little hands there, right now, that have been made available to the school divisions, free of charge to try and get this whole thing rolling. For instance, Winnipeg No. 1 got 77 copies of that. I can go down the whole list of what all the school divisions got. I've got a whole list of what all the school divisions got in promotion on that particular thing. So, it's not that we're hiding it or keeping it under a bushel. I brought it along here to show the members today, so, all I can say is that we will continue, along with the different people involved in the co-op system, to promote that particular program. And if the member feels that it is such a terrific program, I suggest maybe that he write a few of his trustees in his area and some of the school boards and suggest that they include it. But we have, Mr. Chairman, distributed over 1,100 copies to different school boards and different people who have asked about it, or show an interest in it and we are actively promoting it right now, whether it be with the Co-op Council, whether it be with the Western Co-op College in Saskatoon, we're in the business of promoting it.

MR. USKIW: Well, Mr. Chairman, I want to remind the minister that this particular program was

not developed unilaterally by the Department of Co-operative Development and the Department of Education. If he doesn't know it I want him to know it, that it was developed in co-operation with the co-operative movement in Manitoba, Pool Elevators, UGG, a whole host of others, the credit union movement, all of those people were brought into day one, Mr. Chairman, and helped the departments put this thing together, after which it was circulated through the school system and the school divisions and the teachers made their input, Mr. Chairman. Given that that is the way it was put together, Mr. Chairman, it seems to me, that there is a responsibility on the part of the minister — this minister and the Minister of Education to not simply pay lip service to it, Mr. Chairman. He knows, we know that this kind of material is not going to be used simply on the basis of its availability, Mr. Chairman. I believe he's satisfied in his own mind that what we have here is so startling and so revealing and such a departure from sort of the past practice in the school program that it does require some initiative on the part of his department; not a great deal, but Mr. Chairman, it does require that in the introductory period, that some of his staff people, who are acquainted with the contents of this material, ought to hold at least one meeting or seminar in each school division to acquaint the school division of the potential that is here and the advantages that they might have in using this information. I believe that has to be done. How many school divisions do we have, I don't know, but surely, he could have two or three people take on this kind of responsibility to make certain that this project is properly launched, that the school divisions are properly informed as to what this is all about and why, and that this becomes then available to the classroom for the benefit of our students, who are the ones that really would benefit from it, Mr. Chairman.

MR. CHAIRMAN: (b)(1)—pass — the Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I want to ask the minister whether he would consider taking this back to Cabinet, and presenting a case in support of a more proper approach towards the distribution of this information to the school system.

MR. BANMAN: Mr. Chairman, we're looking at different ways of how this particular program can be used and that could be well be one of approaches that we take.

MR. USKIW: Well, Mr. Chairman, the minister indicated that he was interested in selling this package; I believe he mentioned to the Co-op College in Saskatchewan. Would the minister, before he would make that decision, make sure that there is no particular desire in this province to have this material for our own use, for the benefit of our children, Mr. Chairman, before he decides to dispose of it in that way?

MR. BANMAN: Well, Mr. Chairman, we're talking about two different things. We have the plates, if you want to call it, that you use in printing the material, plus we have the material. Now, it all depends what you sell. If you're starting to sell books which are printed and in stock — that's one thing; if you're selling the copyright or the plates, that's another and what we have been trying to do is negotiate the sale of some of the books that we have in stock right now. We haven't got any firm, how should I say, offers or haven't been looking at anything firm to sell the copyrights and that but those are different things that we are looking at. But right now, we have a certain supply of these in stock and we're looking for customers — understandably so, whether it be through the Co-op Council of Manitoba, or whether it be through the Saskatchewan government or somebody else, because we do have the stuff in stock.

MR. USKIW: Mr. Chairman, has a complete set been distributed to every school division in Manitoba?

MR. BANMAN: Mr. Chairman, as a matter of fact, I can go down the list here and you know, I can't say for sure, but there's three pages of school divisions written down here, which have all received, like I said Winnipeg No. 1 got 77 copies of that — see, there's different ones.

MR. USKIW: I'm talking about all of the documents, this is only one.

MR. BANMAN: The Social Studies Teacher Aid, the Business Education Teacher Idea, the Co-operation and Community Life and that's all been sent out to all the different school boards involved, in various numbers because some school boards are bigger than others.

MR. USKIW: Was any of the material accompanied with staff people, who introduced this material

to the school division?

MR. BANMAN: Yes, I can't say if in every instance, but there were some instances where they were.

MR. USKIW: Could the minister tell us when that occurred, was it before he let the staff go, or was it since — the staff that was responsible for this area?

MR. BANMAN: No, it was under the minister who was in charge of it before.

MR. USKIW: Under the previous administration.

MR. BANMAN: No, the . . .

MR. CHAIRMAN: The Member for Lac du Bonnet. Order, the Member for Lac du Bonnet.

MR. USKIW: Yes, Mr. Chairman, I wanted clarification. Was it the previous administration or the new administration?

MR. BANMAN: It was the new administration, the other minister who was in charge of the program for a year.

MR. USKIW: Could the minister tell me, who in the department was responsible for that?

MR. BANMAN: Ms. Lenore Good.

MR. USKIW: All right. Yes, would the minister then tell me, why it was that Mrs. is it, Lenore Good?

MR. BANMAN: No, Ms.

MR. USKIW: Or Miss, I'm not sure.

MR. BANMAN: Ms.

MR. USKIW: Ms. Why that person was let go?

MR. BANMAN: Because Mr. Chairman, I think that the work that's going on right now can be done with the people that we have in place.

MR. USKIW: But Mr. Chairman, I agree with him, the work that is now being done can be done with the people he has in place, but the work that we're talking about is not being done, and that's why I raised the question. Why was the minister in a rush to release staff that were particularly responsible for this project, before this project got off the ground?

MR. BANMAN: Well, Mr. Chairman, we're still trying to get it off the ground.

MR. CHAIRMAN: (b)(1)—pass — the Member for Lac du Bonnet.

MR. USKIW: The minister is telling us that he is still trying to get this project off the ground, while at the same time, he is indicating that he is not terribly interested in whether or not it does. At the same time, he is saying that he has no staff for it, but he has fired the staff who was responsible for it. Now, you know, this whole thing doesn't make much sense, does it, Mr. Chairman?

MR. BANMAN: Mr. Chairman, the member can draw his own conclusions. I just finished saying that we are dealing with the Co-op Council, we are dealing with different people who could be interested in the program. Now, if you say that's not doing anything, that's your own words. We are in the process of looking at all the different alternatives, we have these books in stock, on hand. They have been sent out to the school divisions; we're looking at other alternatives of selling some of the material, so, if you say that's not doing anything, that's your assessment of it, it's not mine.

MR. USKIW: Mr. Chairman, the Member for St. Johns just pointed out to me, before he left, that even the former leader of the Conservative Party is shown here on Page 280, the Honourable Bob Stanfield. I thought that might be of enough interest, Mr. Chairman, to the minister that he might reconsider his philosophy with respect to the distribution of these documents.

MR. CHAIRMAN: (b)(1)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, I'd like to follow that up to the extent that I would like to know who in the department, what staff are available to assist in the promotion of this particular co-operative curriculum project?

MR. BANMAN: Well, Mr. Chairman, the Deputy Minister, with other people has been meeting with the Co-op Council, as well as people from Saskatchewan and other areas, trying to sell and promote some of this material.

MR. BOSTROM: Well, Mr. Chairman, who in his department is meeting with the school divisions and individual schools, and individual groups of school teachers, to let them know what is available, and to show them the different types of materials that are available to them on request.

MR. BANMAN: That has been done, Mr. Chairman, a year ago already, and as I mentioned, all the school boards in Winnipeg No. 1 have 77 of those particular kids in their hands.

MR. BOSTROM: Is the Minister saying that if I were to go to a consolidated school in my constituency and talk to the Social Studies faculty in that school, if they would have been made aware of this program, that they would have a copy in the school to utilize for their Social Studies, whether it be in the high school area or a Social Studies kit in the high school Social Studies course, or the co-operation of community life which is a curriculum to provide Grade 5 students with an understanding of co-operation?

MR. BANMAN: They would have those in the school at this time, the same available through the Department of Education, the same as any other curriculum material.

MR. BOSTROM: Mr. Chairman, I'm asking if the school would have a copy of that available to them in the school if I were to ask them if they would have it, that his department has already made it available to let's say, the school in Norway House, would they have a copy of the co-operative curriculum project?

MR. BANMAN: I'd have to, Mr. Chairman. . . For instance, the Frontier School Division got seven of them. Is that the Norway House Division, or which. . . ?

MR. BOSTROM: It's in the Frontier School Division.

MR. BANMAN: Well, the Frontier School Division got seven copies of that.

MR. BOSTROM: Well, what the Minister is telling me then is that not all schools received a copy, since there would be many more than seven schools within the Frontier School Division.

MR. BANMAN: That could be.

MR. BOSTROM: Mr. Chairman, in that school division alone, what efforts are being made, seeing that many of the communities in the Frontier School Division are involved in co-operative projects at the community level, what efforts are being made by his department to ensure that in particular in those communities where there are co-operatives and one of the basic problems that the co-operatives have had in development over the years is having a basic good understanding of what co-operatives are all about, how they should be organized, how they should be operated, how they should be managed, and so on, and the basic responsibilities and relationships between members and directors, and directors and management, and so on. And this particular curriculum project here fills the bill, whether it be at the school level or the adult education level.

But, Mr. Chairman, in order to make the adult population of those communities aware of what co-operation is all about and how co-operatives operate, it would be a good time to get started on it right now to make sure that those schools have these, that they are utilizing them in their curriculum, and I think it would be an incumbent on your department as a co-operative development

department, to ensure that the schools are aware of this project and that they are aware of how it can be utilized to meet that need in a community. Now what is your department doing to assure that that happens?

MR. BANMAN: Mr. Chairman, as I mentioned before, it's been listed as one of the curriculum items that the school boards can avail themselves of and the school board representatives and the superintendents out in that particular school division, if they feel that this is a curriculum item that they want to put on their particular studies program, it's up to them to do it.

MR. BOSTROM: Well, Mr. Chairman, the commitment was made when this project was initially commenced, that when the material had been completed, it would be distributed to all schools in Manitoba, not just some samples to the Head Office of the School Division, but it would be distributed to all schools, and it was our commitment as a government that we would have resource personnel that would be available to these schools and that the resource personnel would be able to explain to a teacher or a group of teachers how exactly they could utilize this project in the teaching of the principle of co-operation as well as the principles of co-operatives as an economic enterprise. —(Interjection)—

Mr. Chairman, the Honourable Member for Pembina says: "What about the politics?", and I think that is the real root of the problem that we're faced with here, is that this government, this Minister, and the Progressive Conservative Government in general, and many of the backbenchers, particularly from the comments I've heard from the table here tonight, are not desirous of having this material presented to the schools because, in the words of the Honourable Member for Pembina, it's too political.

MR. ORCHARD: No, no, I said: "What about the politics?" and you haven't answered it.

MR. BOSTROM: What about the politics? Well, Mr. Chairman. . .

MR. CHAIRMAN: Order please. Would the member address his remarks to the Chair?

MR. BOSTROM: Mr. Chairman, the politics of this as far as I'm concerned, it's an objective analysis of the development of co-operatives in the prairies, how co-operatives can be used in the community, how co-operatives have developed historically and, Mr. Chairman, it's a curriculum that has been left out of the school system to date, and many of the problems that are faced in developing co-operatives in society, is a lack of understanding of what co-operatives are all about, particularly in the financial area. When you recall the comments that were made by my colleague, the Member for Lac du Bonnet, when he had a group come into his office, who wanted to get a bank in their community and, Mr. Chairman, if they would have known what a credit union was all about and how to go about organizing a credit union, then they would not have had to go to their member at the Legislature and ask what they should be doing in their community.

And this is what this is all about, to bring co-operatives to the attention of the students in the school system, so that we have an educated public, so we have children coming out of the school system that have a broad general education in all areas, and not just specific areas that ignore parts of our economic life.

Mr. Chairman, it's obvious from the comments around the table here. The Honourable Member for Roblin mentioned earlier, this is too political, and, Mr. Chairman, it's obvious from those comments what is motivating this Minister and this government. They would very much like to not have this project brought into the school system. They have tried to downplay it as much as they could; they have stored it away in some storehouse in Winnipeg; they're not trying to promote it in any way. The Honourable Minister knows full well, as a salesman in an enterprise it depends on selling, that you don't utilize that method when you want to move a product, when you want to make sure it's utilized.

And, Mr. Chairman, there's a million dollars in investment by the people of Manitoba that's going to go down the drain because of the incompetence, because of the irresponsibility and ideological hangups, certainly, of the Progressive Conservative Government. And, Mr. Chairman, I wouldn't be surprised at all in a few years to hear that the curriculum project just couldn't get off the ground, and the Progressive Conservative Government put it in some incinerator someplace, because, Mr. Chairman, it's obvious from the comments I've heard around here, that they'd certainly not want it to get too wide a distribution. And, Mr. Chairman, unless there are some other members wishing to follow up on this, I'd like to ask him specifically on this section of his Estimates, what is contained in that item under Administration (b)(1).

MR. BANMAN: It provides for two permanent staff man years which includes the Associate Deputy Minister and his secretary.

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. BOSTROM: Is it an Associate Deputy Minister or Deputy Minister?

MR. BANMAN: It's an Associate Deputy Minister.

MR. BOSTROM: And what other responsibilities does this individual have?

MR. BANMAN: He's exclusively with Co-op Development.

MR. BOSTROM: Well, Mr. Chairman, on that point without any comment on the incumbent in the position I'm not reflecting on the incumbent in any way — how can the minister justify an expenditure for a Deputy Minister for what he calls now, the Department of Co-operative Development that has only 25 staff positions, many of which are now vacant and which I suspect will remain vacant for much of the year given the record of this government in terms of their holding down the expenditures of this particular department. Twenty-five staff, I might remind the Minister, is not even a good number of staff in a branch of most other departments of government and seeing that this government has reduced this department to what is essentially less than a branch function, how can the Minister justify having a full Deputy Minister position for this section?

MR. BANMAN: Well, Mr. Chairman, I guess we can argue that all night. We feel it is an important part where we need some real good capable people to represent the Co-operative Development Department in the field as well as within the co-op movement. We feel the particular individual that is now at the head of that department will do that for the government. You have to have knowledgeable people when you are dealing with large co-operatives such as the Member for Lac du Bonnet mentioned, UGG Pool, the Credit Union movement, you have to have knowledgeable people. Just because we don't have many people doesn't mean that it isn't an important function. The quality of the people that we have there is good and it's not necessarily the quantity that counts in this particular instance.

MR. CHAIRMAN, Mr. Morris McGregor: 1.(b)(1)—pass; 1.(b)(2)—pass — the Honourable Member for Rupertsland.

MR. BOSTROM: I would like to know staff are involved in this 2.(a)(1) Co-operative Development Services.

MR. BANMAN: This is 15 permanent staff, ten of which will be co-op development officers and there is the Chief of Finance and Control and three accounting support staff.

MR. BOSTROM: Well, Mr. Chairman, how many staff were involved in this department last year in this section and the year before that? I would like to know what the cuts have been since the fiscal year 1978?

MR. BANMAN: There were 22 in that particular department, there are now 15.

MR. CHAIRMAN: 2.(a)(1)—pass — The Honourable Member for Rupertsland.

MR. BOSTROM: What positions have been eliminated and what functions did they perform?

MR. BANMAN: There was one staff dealing with . . . it was a construction supervisor, one was a curriculum project and three were vacant co-op development officers, one was an accounting clerk and another secretary.

MR. CHAIRMAN: 2.(a)(1)—pass — The Honourable Member for Rupertsland.

MR. BOSTROM: What about the Director positions that were in this section?

MR. BANMAN: There were two positions involved in the northern and southern co-operatives; that's been now brought down to one director who is now in charge of the northern and southern co-operatives. One director has left the employment.

MR. CHAIRMAN: 2.(a)(1)—pass — the Honourable Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, there was as I understand a Director of the Co-operative Development branch and in addition to that there were people who were in charge of things like information organization and personnel and the northern co-operatives, southern co-operatives, finance and control section and so on. Now can the Minister indicate what changes he's made there to bring it down to the present position?

MR. BANMAN: To go back to last year's Estimates and the Director of Co-operative Developments — the Director is no longer employed by the department and under that particular pool there were a total five people including the Director. Four of those people were involved in the steno pool and that steno pool as I mentioned is part of the complement that went over to the Fitness and Recreation.

MR. CHAIRMAN: 2.(a)(1)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, we had sections in here, for example, that were involved with information organization and personnel. A major part of that responsibility was providing information and organizational assistance to groups that were interested in establishing co-operatives, what part of his department is fulfilling that function now?

MR. BANMAN: I understand that we are going back two years and apparently that function was dealt with last year and was not continued last year. I'm not aware of what the particular function was because it wasn't there when I arrived.

MR. BOSTROM: Mr. Chairman, the functions I am talking about are concepts really. I mean practical concepts, one being informational assistance providing information to organizations that wish to discuss developing a co-operative, whether it be a housing co-operative, a day care co-operative, a fishing co-operative, a retail co-operative, credit union, or whatever may be the case. Now, Mr. Chairma, which staff are providing that function now if they did away with it two years ago?

MR. BANMAN: Well, Mr. Chairman, I guess if you want to label something the co-op development section dealing with the co-op development officers, you could label now the co-op development of northern and southern and housing. Those are the people that handle the requests and go out into the field and see if they can work with the people to establish co-operatives.

MR. BOSTROM: Is the Minister saying now that the ten community development officers he spoke of are filling off that role of providing information and organizational assistance to new groups, individuals and groups that are interested in developing a co-operative form of enterprise?

MR. BANMAN: Mr. Chairman, when they're out in the field, whether it be in northern Manitoba or southern Manitoba, in dealing with the existing co-ops and lending help there, they are also in the field providing assistance to whoever is requiring information from the department.

MR. CHAIRMAN: 2.(1)(a)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, this section also used to have a Finance and Control section. The Finance section was to provide expert advice in the fields of financing to co-operatives, and to also provide a control function for particular co-operatives that required assistance in the way of controlling their operations and their management accounting function of their operations, and provide also accounting services to particular co-operatives that required it, that is, to assist especially some of the more unsophisticated co-operatives that required some form of accounting assistance. Can the Minister explain which people in his department are providing that service at the present time?

MR. BANMAN: Out of the staff that I mentioned here before, four of those people out of the 15 are for the Finance and Control section of it.

MR. CHAIRMAN: 2.(a)(1)—pass; 2.(a)(2)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, before we had people who were available to assist specific areas of co-operative development. For example, Agriculture used to have two staff members working full-time in that area. Can the Minister explain who is now providing that kind of developmental work?

MR. BANMAN: Yes, Mr. Chairman, I understand from staff that we have one Development Officer who works with Agriculture, and I think he works out of Ste. Rose at the present time.

MR. CHAIRMAN: 2.(a)(2)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, can the Minister indicate what projects this one development officer now has on his plate, so to speak, what areas would he be responsible for?

MR. BANMAN: He's dealing basically with all agricultural matters, but he would be dealing I understand, right now, with machinery co-operatives.

MR. BOSTROM: Mr. Chairman, can the Minister indicate what, if any, success this one staff member has had in assisting new farm groups to incorporate as co-operatives in the past year, and which ones are being developed at the present time?

MR. BANMAN: The latest one is the Pilot Mound Machinery Co-operative that is formed. —(Interjection)— My staff informs me that he's worked with a fair number of groups, and we'd have to take the question as notice and get back to the member on that.

MR. CHAIRMAN: 2.(a)(2)—pass — the Member for Rupertsland.

MR. BOSTROM: There used to be people working exclusively in Housing in assisting people in the development of Housing Co-operatives, both the continuing housing co-operative and the construction type of co-operative, whereby members get together to actually build their own personal homes, which afterwards they would acquire private ownership of, Mr. Chairman. Can the Minister indicate what staff are now fulfilling that function in Manitoba?

MR. BANMAN: At present, Mr. Chairman, we haven't got anybody in that particular program.

MR. BOSTROM: Mr. Chairman, so the Minister is saying that no one is now assisting in the development of continuing housing co-operatives and/or building co-operatives. Out of the staff that he now has, no one has that function to perform — no one is performing that function?

MR. BANMAN: That's correct, Mr. Chairman. Presently the Research and Development people are looking at that particular program as it is being run in Saskatchewan. We've had certain difficulties with that one here in Manitoba. I guess we could go into it.

One of the problems was that there was no provision made for repayment, should a person build a house with the assistance of government, and then six months later sell it. Saskatchewan has included as part of the payback procedure, that when somebody does build with government assistance and with government carpenters, and that type of thing, that any appreciated gain on that, the government has to collect the amount that they paid into it. We did not have that feature in ours, and as a result what happened, as near as we can see, is there were different homes built which were sold right away and there was a fair profit realized by the individuals.

The other problem that we had is the problem of providing funds for mortgage funds, and if you look at the information that's been collected over the last number of years, one of the biggest complaints of the people who were building was that it was very hard to get CMHC money, or some money from somebody, because what happens is that you're building a home as you go, and people have a hard time getting proper lending. So we're looking at the particular program right now, looking at the areas where we did have problems, and looking at the different provinces that are involved in that. I understand, I think, it's PEI and Alberta that are also involved in that to a certain extent, and we're looking at what type of a system they've got.

MR. BOSTROM: Mr. Chairman, he's indicating that some people are looking at that problem. Given the small complement of staff that he has in this department now, can he indicate who has been assigned that particular responsibility in his department?

MR. BANMAN: Mr. Chairman, this is the point I've been trying to make all evening, I guess, is that we have some very competent people in the Research department, which is a part of the Fitness and Amateur Sport segment of my Estimates on the other side, and those individuals are right now in the process of looking at the program that we had, evaluating the program that we had in place, and seeing how things are being run in other provinces to see exactly what direction we will take with regards to that matter.

MR. CHAIRMAN: 2.(a)(2)—pass — the Member for Rupertsland.

MR. BOSTROM: Personnel in the department used to be assigned to assist in the development of Day Care Co-operatives. For example, in 1976-77, they provided assistance to 21 co-operative centres. Can the Minister indicate what has been the performance of his department this year, and what staff he has working on that area of development?

MR. BANMAN: Mr. Chairman, to date we have 19 Co-operative Day Cares, 13 of which are audited by the department, and 6 of which are done by private auditors.

MR. BOSTROM: What are the plans of his department for the assistance of future groups to organize as Day Care Co-operatives? Does he have staff assigned to that function?

MR. BANMAN: Mr. Chairman, we respond when there is a request. The Department of Health, through the director there, I've been in touch with her about these particular groups, who run, I think, something in excess of 200 day care centres. They are aware of what our function is, they are aware of what type of input we have, and we are in consultation with them on that.

MR. CHAIRMAN: 2.(a)(2)—pass — the Member for Rupertsland.

MR. BOSTROM: Can the Minister indicate if any of his co-operative development officers have the responsibility of researching and/or assisting in the development of day care co-operatives?

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: We're assisting wherever we're requested to.

MR. BOSTROM: The staff of the southern section of the co-operative development officers used to provide assistance to groups of individuals organizing food co-operatives, in particular, direct-charge consumer co-operatives. Can the Minister indicate if he has staff working on that developmental type of project now?

MR. BANMAN: Yes, Mr. Chairman, we still have people involved. The last payment of the deficit of the Boni-Co-op, the one that was established, was paid out, I think, a couple of weeks ago. I think it was something like \$7,800.00.

MR. CHAIRMAN: 2.(a)(2)—pass — the Member for Rupertsland.

MR. BOSTROM: In the area of fishing co-operatives, can the Minister indicate how many active fishing co-operatives are now operating, and how many co-operative development officers are assigned to assist those co-operatives, and does he have any staff available to new groups that are interested in establishing fishing co-operatives ?

MR. BANMAN: Yes, Mr. Chairman, we are now looking after 13 northern fishing co-ops. They are being looked after by staff, as many as required. As I mentioned before, the north and the south operations have been combined. I understand from staff that roughly the complement to look after these 13 without looking after anything else is about three staff people.

MR. BOSTROM: Mr. Chairman, can I ask the Minister, therefore, on that section, following our discussion earlier, if he will give a commitment to these fishing co-operatives that they will not be charged an auditing fee by his department for work which they do on the accounting and auditing of their books?

MR. BANMAN: Mr. Chairman, I can give the member the undertaking that there have not been any charges, and I'll review that particular policy which the staff, I understand, was labouring under, that there should be charges. I can give him the undertaking that I will look at it, and see exactly what was intended by that policy; and I guess where many of the co-ops which are not that viable and need some help, we'll have to continue that policy. But I can't say now without reviewing it thoroughly and seeing what the ramifications are exactly what direction we'll go, but they have not been charged and, as far as I can see, won't be charged in the future.

MR. BOSTROM: It's a matter of semantics, I suppose, but obviously it's never been a policy; or if, in fact, it has been a policy, then the staff have been negligent in not carrying out a policy. But I assume they have assumed, as I have, that this is not a policy, has not been a policy, and it is one which is under discussion, and I hope that the Minister is serious in not adopting this as a policy. Because I must emphasize that this would be a hardship on the northern fishing co-operatives if they have to incur a charge by paying to the government personnel a fee for auditing services which they used to receive free of charge.

Mr. Chairman, I believe that this is one of the few things that the department continues to provide, and it is one function which is useful for the government to continue to provide because it gives the department the opportunity and ability to continue to monitor these co-operatives, to ensure that they are continuing to maintain good records, to maintain records in such a way that all of the fishermen that are involved in these co-operatives are receiving fair treatment by the management and Board of Directors of the co-operatives, they know how to deal with the co-operatives in terms of being able to explain the financial statements at the annual meetings, and so on.

So, Mr. Chairman, I must urge on the Minister that he not adopt such a policy, because one of the ramifications of adopting such a policy is that these co-operatives may dispense with the services of the departmental officials of the Department of Co-op Development. I think that that would be a step backward, because ordinary business-oriented accountants that would perhaps take over that function would not have the same rapport with the fishing groups in northern Manitoba, nor would they have the same experience in dealing with the special problems that many of these fishing co-operatives face in terms of the function of the Board of Directors, the function of management, how management relates to the Board, and the Board to the members, and so on. So I'd urge on the Minister that he not adopt this policy, and in fact, if it is under consideration at the present time, I hope that he would instruct his department to dispense with that idea, and to continue to provide this service free-of-charge to the fishermen.

Seeing that it has continued to this point under the new government administration, I assume that they have not yet adopted that policy, and therefore, it would have to be a conscious decision on this Minister's part to instruct his staff to follow such a policy.

To go on, Mr. Chairman, I would ask if the department is still providing service to retail co-operatives, three of which I know are operating in northern Manitoba, and if they will be continuing to provide that service under this new fiscal year arrangement?

MR. BANMAN: Yes, Mr. Chairman, they are being looked after like the northern fishing co-ops are.

MR. BOSTROM: Can the Minister explain if he has any staff that are involved in assisting communities and groups in establishing buying clubs, as they previously were involved on a number of occasions; will they be continuing that function?

MR. BANMAN: Yes, Mr. Chairman, I just had a call on that the other, and we are working with some people on that particular matter.

MR. BOSTROM: Mr. Chairman, are there any people in this section that are responsible for research and planning within the Department of Co-operative Development.

MR. BANMAN: No, Mr. Chairman.

MR. CHAIRMAN: 2.(a)(2)—pass; 2.(a)(3)—pass — the Member for Rupertsland.

MR. BOSTROM: Can the Honourable Minister explain, just before we pass these two items, (2) and (3), what is contained within those expenditure estimates?

MR. BANMAN: I believe (2) was passed, but I'll just go over it: Printing and Stationery, \$4,500; Telephone and Postage, \$8,000; Automobiles, \$26,800; Travelling Costs, because we're dealing with

a lot of the northern areas, \$49,000; Educational Assistance, \$4,000; Transportation other than for Employees, \$3,000.00.

And then, dealing with the next one, the \$40,000 Grant Assistance is provided to the Co-operative Housing Association of Manitoba to promote co-op housing and for their research that they're conducting.

MR. CHAIRMAN: 2.(a)(3)—pass — the Member for Rupertsland.

MR. BOSTROM: Which section would we discuss the Co-operative Promotion Board and the Co-operative Loans and Loans Guarantee Board?

MR. BANMAN: There is no money in the Estimates for them, Mr. Chairman, except for the \$40,000 which we're on right now, which goes to the Co-op Housing Association.

MR. BOSTROM: Well, Mr. Chairman, do the two boards, the Co-operative Promotion Board and the Co-operative Loans and Loans Guarantee Board, not report to this Minister?

MR. BANMAN: Yes, Mr. Chairman. There aren't any moneys voted in the Estimates though for it, so I don't know, maybe under the Minister's Salary or . . . there's no special place where it could be discussed, but maybe I'd suggest that under the Minister's Salary.

MR. BOSTROM: Is the Minister saying that these two boards are no longer operated and that no money has been voted for their functions:

MR. BANMAN: Yes, Mr. Chairman, they are operating but the Co-op Loan and Guarantee Board is one which . . . and I'll have to get the exact amounts of money, I can get that for the member what the outstanding loans are and I think I've got a chart on that. I think there is about \$800,000 that are outstanding right now in guarantees, but there are no votes in the Estimates for that.

MR. BOSTROM: Under the Co-operative Loans and Loans Guarantee Board, Mr. Chairman, can the Minister indicate what loans and/or guaranteed loans were made in this fiscal year, if any?

MR. BANMAN: I understand there was one, the Northern Co-op Services for \$40,000 as a guarantee. I don't know, if the member would like, I could table this or I could just give it to him and he could look at it.

MR. CHAIRMAN: 2.(a)(3)—pass — the Honourable Member for Rupert land.

MR. BOSTROM: Mr. Chairman, has there been any activity of the Co-operation Promotion Board in this fiscal year and if so, what function have they performed?

MR. BANMAN: There has been very little activity, Mr. Chairman, with regards to that particular board. We will be having a good look at that particular board because there are moneys accumulating and that's a possible area that can be used for further promotion of the co-op movement.

MR. CHAIRMAN: 2.(a)(3)—pass; 2.(b)(1)—pass — the Honourable Member for Rupertsland.

MR. BOSTROM: I assume in here, Mr. Chairman, that we would have the responsibility for the Credit Union Stabilization Fund and the Fonds de Securite de Caisse Populaire, can the Minister indicate what staff are responsible for supervising the statutory responsibility of the government in this area?

MR. BANMAN: Yes, Mr. Chairman, we have eight SMYs dealing with this particular responsibility.

MR. BOSTROM: Mr. Chairman, can the Minister be more specific as to what are the functions of these eight SMYs? What are their positions, salary levels, and so on?

MR. BANMAN: Yes, Mr. Chairman, the Director of Audit and the Inspection and Central Registry; two auditors, two inspectors, two registration officers, and one secretarial support staff.

MR. BOSTROM: What functions have they performed in the past fiscal year and what are the proposed activities of these staff in the fiscal year that's under consideration?

MR. BANMAN: Well, Mr. Chairman, the auditors, of course, are providing the department with the expertise within the department to audit particular co-ops or credit unions, Caisse Populaires, when requested for by the department and there are two auditors. We also have a number of the people who are involved in administering the Acts themselves. We also have people that are qualified in auditing the books of the non-affiliated co-ops, and then of course, there is the Central Registry function which is the group that files and checks all the different statements from the different credit unions and co-operatives.

MR. BOSTROM: Mr. Chairman, have there been, over the past year, any indications of any concern as to the operation of these stabilization funds, and how they are protecting the savings of credit union members in Manitoba against losses?

MR. BANMAN: No, Mr. Chairman, I haven't received any requests from people, either from the Stab. Fund or from members of credit unions or Caisse Populaires. As far as the Stab. Fund is concerned, it is of course a concern to the Department of Co-operative Development, that the Stab. Fund is doing a proper audit and is making sure that the credit union throughout Manitoba are functioning on a proper sound basis, because we have had a few instances where we've had trouble. Without going into specific credit unions that have had problems, but over the last number of years there have been some fairly large losses in some of the credit unions, which of course has put a certain strain on some of the funds that were set aside by the Stab. Fund as far as the particular fund that everybody pays into; the Stabilization Fund. So there have been some in the last number of years, of course the Dauphin Plains one, which happened a couple of years ago, which was a fairly large one. We had one in Carberry which caused us some concern but other than that, I am not aware of any real large ones that we're looking at.

MR. BOSTROM: Well, Mr. Chairman, can the Minister assure us then that he has not had any concerns expressed to him by any members of his staff, former staff or present staff, regarding the operation of the stabilization funds, and the ability of his department to properly supervise these stabilization funds, and also to ensure that the proper safeguards are being maintained by the stabilization funds in terms of their auditing of the credit unions and bringing action to bear where action is required, in order to safeguard the savings of credit union members? Can the Minister assure us unequivocally that he has not had any people bringing any concerns to him regarding these operations?

MR. BANMAN: Well, Mr. Chairman, let me just say that a number of, I think it's two years ago, we passed the new Co-operatives Act, the regulations which will deal with many things governing the co-ops including the Stab. Fund will be discussed at that time. There is some question as to whether we should require the Stab. Fund to audit and then also on top of that, have other outside auditors do the audit. These are things that we will be discussing with the Stab. Fund as well as the credit union people and things that have been drawn to my attention. Some of the provinces do require the two audits, some of the credit union people feel that it is required because of certain problems in different areas, others say it would add another financial burden to the credit unions which they don't need. So this is what we're looking at right now and will be part of the regulations which we hope will be coming forward in the very near future.

MR. BOSTROM: Is the Minister saying that since the passing of the Act some two years ago that the regulations which formed part of the operation of the Act have not yet been drafted and that these are still in the making?

MR. BANMAN: I understand just shortly after the passing the then Minister set up a Board which were to deal with the regulations. It took about year and a half to come forward with that. We have them in our possession right now and are looking at them. And as soon as we have them meet the requirements of government as well as hopefully the requirements of the credit union, we will be passing. I should point out that in a few instances it will require some minor changes in that particular Act that was passed two years ago. And I think there was some intention of maybe bringing that into the House. Since they are minor I think they might just come in just a Statute Law Amendment Bill.

MR. BOSTROM: In the delegating of responsibilities in this section and/or in the department

who is the one given the responsibility of maintaining this supervision and inspection, overall direction of the statutory responsibilities of the present government.

MR. BANMAN: The Branch Director is a Mr. Kerr.

MR. BOSTROM: Mr. Chairman, Mr. Kerr, can the Minister indicate what his background is?

MR. BANMAN: He's a chartered accountant and has been with the department with three years.

MR. CHAIRMAN: 2.(b)(1) — the Honourable Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, has the incumbent had any responsibility previously in the credit union movement and/or any experience in that area?

MR. BANMAN: He was Acting Chief Supervisor in the Department for two years.

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

Resolved that there be granted to Her Majesty a sum not exceeding \$636,800 for Co-operative Development and Control.

Now we return to Item No. 1., the Minister's Salary. The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, can the Minister, by the way of wrap-up, give us an indication of what the general trends are in Manitoba as far as co-operatives are concerned? How many registered co-operatives we have? What are his aspirations in terms of the development of new co-operatives and/or credit unions in Manitoba under his jurisdiction?

MR. BANMAN: Mr. Chairman, I'll try and get the figures for the member here. He mentioned the co-operatives and the credit unions that we have to date are interestingly enough the same number that were in place in January — I go back to January 1st, 1976 as 197. That includes the Caisse Populaires I would imagine too. So there is 197. It has been relatively stable, one of the reasons for the stability I guess is that some have amalgamated. The other that has happened in the City of Winnipeg is that there has been several branch operations opened up which would then be classified still under the parent credit union.

Dealing directly with other co-operatives, we have, in corporations this year 7. We have a total as of ddecember 31st, 1978 of 262 co-ops which is almost exactly the same figure as it was in January, 1976.

The big difference, of course, that has happened in the last little while is that the credit union movement has greatly increased in the amount of assets. They have this year gone over the \$1 billion figure which means they are a pretty formidable force in the marketplace as far as being a lending agency. The department feels that we want to make sure that not only do we try and attract some new co-operatives but we want to make sure that the ones that are in existence right now stay viable and also maintain their place in the marketplace. In these days of tough competition and high interest rates, it becomes a pretty formidable job for a lot of these people to make sure that they end up in the black and of course, that's our basic concern right now is to make sure that not only do they provide a service to their clients but that they also remain a viable organization.

So the department, - with the staff we have, with the people that we have involved in the development programs and the auditing programs, we feel is a staff that is competent in handling those problems we have at the present. We'll be hiring an additional three development officers. I understand the bulletins have gone out about a month ago. We have a fair number of applications. There was mention that there was a fairly large turnover in staff in that particular field I'm informed, because of the nature of the work —there's a lot of travelling involved — and that traditionally in the department there has been a high turnover of those people and that is nothing new, it's happened over the last number of years. So we hope to have full staff complement within a very short while and we feel we will be able to carry out the duties of the department and work well with the existing enterprises as well as help people who are interested in starting new ones.

MR. BOSTROM: Well, Mr. Chairman, just in closing , unless there are other members who want to comment on this, I have to make a few comments regarding what we believe to be the lack of priority that this government is giving to this department. And I would say that generally we would deplore the lack of enthusiasm of the Progressive Conservative government given the way

in which they have developed the Department of Co-operative Development.

Since they have become the government in the fall of 1977 they have, over the last 16 months, reduced this department from a total of over 2.2 million at that period for that fiscal year down to what we have today, a total of \$706,400.00. I'm brought back to one of the former annual reports of the department where in the annual report they gave an overview of the Department of Co-operative Development and they state that the Co-operative Services Branch of the old Department of Agriculture in 1967 had a staff complement of 12. And, Mr. Chairman, this was brought up to a staff of 57 in the fiscal year 1975-76 and even in the Minister's comments tonight he indicated there were some 52 staff at the time his government took over this section of the administration. Of that 57, 30 personnel were in a co-operatives branch, 13 in the credit union and audit branch, 6 in the Research and Planning Branch, and 8 in the Administration Branch. So, Mr. Chairman, we get an indication of what the priorities are of the Progressive Conservative government just by looking at the Estimates Book this year. When we see that the department has been reduced again from the amount that was voted last year to the low of 706,400 which is really just adjusting for inflation to what they used to operate under in the middle 1960s when they had the Co-operatives Services Branch of the Department of Agriculture. I assume they feel it would be politically unwise to dispose of the Department of Co-operative Development decently and give it a burial into one of the existing departments of the government, so they have maintained the name of the Department of Co-operative Development but have just about wiped out the department as a unit functioning department.

Mr. Chairman, when you look at Page 22 in the Estimates book and you see that in the fiscal year 1979 -1980 we have a reduction of \$300,000 approximately in the Department of Co-operative Development and on the other page, Page 23, we see the Department of Economic Development with an increase of almost \$5 million. We can see where this government is placing its priorities. Even the Department of Fitness and Sport got an increase this year, Mr. Chairman, whereas the Department of Co-op Development got the back of the government's hand again this year as it did last year, and we have a steadily declining department, one which has deteriorated really to the status of a branch in Manitoba. In our opinion, Mr. Chairman, it's no longer a full department, it's simply a functioning branch with the name of a department, but not with the staff and the resources to carry out the proper function of a full department and to promote co-operative development in a proper way in Manitoba. It's a caretaker function, which this Minister is providing to a branch function, as far as the development of co-operatives in Manitoba are concerned. We no longer have an enthusiastic attitude towards co-operatives, we have a caretaker attitude, and, Mr. Chairman, I fear that it goes beyond even that. I believe that the government is even less enthusiastic about that; in fact, given the reaction we had tonight on the co-operation and community life, the co-operative curriculum project, I believe that this government is going to try to down play co-operatives as a type of economic enterprise as much as they can, and they have certainly demonstrated it through the way in which they've approached the Estimates here, and the way in which they've approached the funding of the Department of Co-operative Development generally.

MR. CHAIRMAN: 1.(a) — the Honourable Minister of Highways.

MR. ENNS: Mr. Chairman, I cannot let the comments of the Honourable Member for Rupertsland pass, inasmuch as he reflects on the period of time that I was Minister responsible for Co-operatives back in 1967-68, and the time that he particularly referred to when the branch had some 12 members in 1967, as he indicated. My simple question to the Honourable Member is, and I can remember well that at that time we had some 18 to 19, possibly 20 or 21 flourishing co-ops — native co-ops, Indian co-ops in northern Manitoba, fishing co-ops — that I had the opportunity of visiting many of, 12 or 13 of them. My question to the Honourable Minister, with the . . . you know, in that period of '75 that he refers to, when the co-op complement rose to 57 or 58 members, SMY people, how many active fishing co-ops does the Minister supervise in northern Manitoba today?

MR. CHAIRMAN: The Honourable Minister.

MR. BANMAN: 13, Mr. Chairman.

MR. ENNS: Mr. Chairman, it kind of bears up with the Peter Principle, of the more staff people doesn't necessarily mean that it encourages the principle that's involved. All I'm suggesting, Mr. Chairman, is that the record shows that in the 1960s, in 1968 particularly, we had a healthy and growing development of the co-operative movement with respect to northern fisheries, which has in the last seven or eight years or nine years, slowly gone down to 13. I think the facts speak for

themselves.

MR. CHAIRMAN: 1.(a)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, I would certainly challenge the numbers that the Minister is using, because I don't believe that there were that many co-operatives operating at that time. Mr. Chairman, I can recall when the co-operative in Grand Rapids was attempting to become established in the early '60s, and the fishermen in that area applied to the Conservative government of the day for assistance to establish a co-operative to get them out of the rut that they were in selling to the private fish companies that were ripping them off, and they applied for a small loan, Mr. Chairman, to the Progressive Conservative government of the day to build a fish packing station in their community. The Progressive Conservative government of the day ignored their request, and these particular fishermen had to go to the lumber yard dealer in the nearby town, and make personal guarantees to the lumber yard dealer in order to raise enough money to build a shack that they could keep their fish in over the first fishing season.

Mr. Chairman, that was the kind of response they got from the Conservative government of the day, and other fishing co-operatives that were established in the '60s were established in spite of the Conservative government of the day, they were certainly not established because of the Conservative government of the day; they were certainly not promoted nor were they assisted in very many ways.

MR. CHAIRMAN: The Minister of Highways.

MR. ENNS: A co-op should never be established because of any government, Conservative, NDP or Liberal. A co-op ought to be established because a group of people decide that they can do certain things better, collectively, than they can otherwise — that's the reason why you should establish a co-op. There should not be any partisan politics in terms of establishing co-ops. And so I just want to put that on the record, and that in fact was taking place, and I'm sure that's what's going to take place under the leadership of this Minister. It is not a partisan question of whether or not a co-op should or should not be established. It is when a given set of circumstances in a given environment lends itself to the establishment of a co-op, that I suspect and I believe that this Minister will lend his office and the talents of his office to that establishment. But that is the very nature of the establishment of co-ops.

What my friends — and no one expressed it better than, a little while ago, the Member for Rupertsland — he believes, and of course that is the very antithesis of a co-op, he believes that it ought to be government or it ought to be somebody that says they ought to do certain things. And that is so wrong, that is so totally missing the point of a co-operative movement; it's the kind of thing that flies in the face of what built the great co-operative movements of this country. You know, in the years that the grain farmers felt total neglect by federal governments, by provincial governments, they formed together to form the great grain co-ops. When people, small and large, in different communities felt that they were being neglected by the big banking interests of this country, they formed the Caisse Populaire, they formed the Credit Unions. It didn't take government intervention, or else you know, to believe the Honourable Member for Rupertsland, the Credit Union Movement could not have ever flourished without an NDP administration, but the credit union administration is there, it's healthy, it's alive, because people felt a need and they had the opportunity to provide that need.

This, Mr. Chairman, and I will desist, I know that I am interrupting your Estimates, but you know, Mr. Chairman, one should never lose sight of the fact that in the opportunity of discussing Estimates, aside from putting the dollars and cents on things, there ought to be the opportunity of defining what separates them and us, or they and them, and the Member for Rupertsland just spelled out his concept of co-ops. That means, that big brother government will decide where a co-op ought to be formed, and how it ought to be formed, and will insist that that's how it ought to be formed; whereas I believe that this Minister believes — correctly — that we create the climate for co-ops to be formed, for co-ops to flourish as they flourished throughout the decades of the '60s under a Progressive Conservative government. There possibly was no other decade in Manitoba where the co-operative movement, the Credit Unions, the Caisse Populaires, flourished more than in the '60s, under a Progressive Conservative government. From '69 on, that's when you had co-ops going broke, that's when we had you had fishing co-ops going broke, that's when, because the government forced people into co-ops before they were ready to accept the responsibilities for themselves. And that, by the way, is the principle of co-operative movement. The whole principle of a co-operative movement is that individual members accept the responsibility of their financial or their fishing or their lumbering activities.

That's what my friends opposite here, don't quite believe. They believe philosophically, because it's in tune with their philosophical bent, that a co-operative is ever so much more desirable or ever so much more acceptable than a private entrepreneurship. This Minister doesn't make that distinction. This Minister is prepared to administer the laws that provides for the widest and maximum use of the laws as they stand for the development of co-operatives, but he does not stand in the position that he bends public policy one way or the other, and that, Mr. Chairman, I suggest to you, is the true spirit of how a healthy co-operative can be formed and can be maintained. And I suspect, and I will tell you, that the co-operatives that are formed under this Minister's direction will be healthy, will stand the test of time, because the co-operatives that are formed have done so because the members who form that co-operative believe that that is in their best interest, not because the government told them to do so.

MR. CHAIRMAN: 1.(a)—pass — the Member for Lac du Bonnet.

MR. USKIW: Well, Mr. Chairman, the Member for Lakeside, or the Minister of Highways, introduces a new dimension to the debate.

Unfortunately, he wasn't here for the full debate earlier this evening, wherein we were not suggesting to the government that they establish any co-ops. I don't believe anyone on this side suggested to the government that the government establish co-operatives. What we were talking about, Mr. Chairman, was what the Member for Lakeside alluded to, when he mentioned two points, Mr. Chairman. One is the climate and he used the word environment, that that's what you must have to make co-ops flourish; you must have the right climate and the right environment. Well, Mr. Chairman, had he been here for the full discussion this evening, he would have recognized that that's what we were arguing for, was the kind of climate and the kind of environment that would provide for better opportunities for co-operatives to flourish. And the climate has to begin with education, Mr. Chairman.

We were belabouring the point that the government has a responsibility to make sure that the school children know what co-operatives are all about, what that option is all about, so that when they enter the adult world in some point in time, that they will be in a better position to make a decision as to whether they want to play a role as entrepreneurs, as individuals or as members of associations, groups, collectives, co-ops, communes — I don't care what it is, Mr. Chairman, but they should be informed of all the options. And that's what education is, and we have an instrument here prepared by the department, which the Minister has told us is in limbo, in some warehouse because he has fired the staff that was supposed to introduce the curriculum program to the school system. And that's what we're talking about — environment, environment climate.

I agree with the Member for Lakeside, Mr. Chairman. Given the right environment, the right climate, co-operatives will flourish in Manitoba.

MR. CHAIRMAN: 1.(a)—pass. Resolution 34 — the Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Chairman. I wasn't going to participate in the debate until the Member for Lakeside opened his big mouth, and started to spout out all kinds of garbage, and nonsense —(Interjection)—

MR. CHAIRMAN: Order please. Could we have the members directing their remarks to the Chair?

MR. EVANS: Thank you, Mr. Chairman. The way to spoil an interesting evening, where we all sit around and learn something, and have a rational debate with the Minister, it's really sad commentary on the parliamentary system to have a Minister of the Crown come in at 11:20 p.m. and start to raise all kinds of red herrings, total red herrings. He is trying to give the impression that we, on this side, the New Democratic Party, want to force co-ops down the throats of people. He tries to give the impression that we want to be partisan. He tries to give the impression that we think that co-ops are more desirable than any other form of business organization or economic organization, and Mr. Chairman, that is not true. It is nonsense, I say it's garbage.

What we get from the Member for Lakeside, the Minister of Highways, is total and utter garbage, and I think that we in this Committee, and the Minister — indeed, the Minister is deserving of more than the remarks that we've had to listen to in the last 10 or 15 minutes. The fact is, Mr. Chairman, the Minister did miss most of the debate, and I think that in many ways, if he was here he would understand that there is a mutual feeling that we should promote co-ops in Manitoba and that while there is that agreement, what is lacking is a will and a desire on the part of the

Conservative government in Manitoba, a real lacking of will and desire, true will and true desire to assist in providing the right kind of environment for the development of co-operatives in Manitoba. And in particular, northern Manitoba, where I believe there are, unfortunately, many many disadvantaged people who do need considerable assistance and who do need members of a cooperative department who are prepared to spend a lot of time with them in assisting them. These co-operatives cannot arise, particularly in northern Manitoba in the remote communities where they can be of considerable value, they cannot arise, in my opinion, Mr. Chairman, without considerable assistance.

In many ways I look upon the Department of Co-ops as being parallel to the Department of Industry and Commerce or what is now called the Department of Economic Development, because the same principles, I believe are involved, and those principles are embedded in, frankly, what the staff is doing in the way of promotion, and it is the principles of assisting, principles of encouraging, principles of making it easier for people to do their thing in forming a co-op. No one is suggesting a large Department of Co-operative Development to force co-ops down the throats of anyone. No one is suggesting that, and yet the Minister of Highways comes in here and says that we feel really that co-ops should be forced down the throats of people. And that of course, as I said, is total and utter nonsense.

I think that we should see, as the Member for Lac du Bonnet has had indicated earlier, I believe, a strong department similar to the Department of Economic Development, where you have many staff who are prepared to go and help the small and medium-sized businessman. Not to force the businessman to do this or that, not to suggest to communities that they must have this industry or they should have that industry, but to provide statistics, to provide economic research, to provide general data, industry location data, to provide encouragement, to help provide finance, whatever, to assist in the development of small business in Manitoba, whatever to help in the development of small and medium-sized enterprise.

I submit, Mr. Chairman, that it is that category of small private enterprise and medium-sized private enterprise that needs help and can get help from a Department of Economic Development. The same principles hold true for the Department of Co-op Development. We say that this department should be reinstated in effect, because it is true that, frankly, it has been reduced to such an extent that it should really be a branch. It's almost ridiculous to have a separate department with a budget of, I believe, less than one million dollars. I don't know of any other government department that is so small as the Department of Co-op Development.

I think that this government, if it is at all interested in efficient administration, if it is at all interested in management of a high calibre, would do well to consider making this department a branch or a division of some other department, as it used to be some years ago, because frankly, it is a waste of the taxpayers' money to have a separate independent Department of Co-operative Development with this type of budget. It really is a waste of the taxpayers' money, and I think that the taxpayers of Manitoba deserve something better than that from the Conservative government of Manitoba, which is always talking about the need to keep taxes down; always talking about the need to be very efficient. And I say, either go forward with the department —(Interjection)— No, big dollars is not — well, Mr. Chairman, what I'm saying is —(Interjection)— Well, what I'm saying is, Mr. Chairman, the government has in its wisdom decided to decimate the former Department of Co-op Development. I say former Co-op Development Department because really it is now virtually a branch or a division, a very tiny part of this big government apparatus that the Conservative Party is now running.

I suggest, Mr. Chairman, that we could save the taxpayers money. We do not need to pay the salary of a deputy minister in this department. We do not, and this is no reflection on the personnel in the department, we do not need to pay the salaries of other high executive positions when it's obvious that we're not really talking about a true department, we're talking about a very small branch of government. So if that's the way you want to go, this is what you should do.

Let's save the taxpayers some money. I think the Conservative government should be honest with itself, because it really is not too comfortable with this department, so I think they should be honest with themselves and really go to the logical conclusion, go back to the good old days, as was described by the Minister of Highways, when it was a tiny branch of some other department. Go back — because that's really what I think you want to accomplish, so why don't you do it? So why are you wasting the taxpayers' money now? Why are you wasting the taxpayers' money by having a separate department? And I say that to be logical, to be consistent, really, this is what should happen.

On the other hand, if you wanted to pursue some of the objectives on which I thought we had agreement with the Minister, then why not build up this department to a size where it can particularly be of some assistance in those parts of Manitoba where I think the assistance is very badly needed, namely in the remote communities, particularly other parts of northern Manitoba. So that what I'm

suggesting, Mr. Chairman, is that if we really mean business, if we all agree around this table that co-operatives are a good thing, then I think the least we can do is to beef up the department and bring in the proper staff, bring in additional staff, bring in staff who have some experience in co-ops, and show the people of Manitoba that there is this alternative.

However, Mr. Chairman, I totally and categorically reject the nonsense that was stated a moment ago by the Minister of Highways, that we wanted to force co-operatives down the throats of people — so many words. That is not my position; that is not the position of the New Democratic Party and the Member for Lakeside, the Minister of Highways, really knows that. But he really wishes that weren't so. He really wishes that we did take this very unreasonable, irrational position that he is suggesting. And he is really well off base when he suggests that we think that the co-operative form of enterprise is far more desirable than any other single type of industry enterprise or industry organization that one could have, and it's obvious that different sizes of industries, different kinds of industries will dictate, will demand different types of ownership structures. Co-operative is one type of ownership structure, but only one, and there are other alternatives. The honourable members on the other side know this; the Member for Lakeside particularly knows it, and for him to suggest that we think that co-op enterprise is the only form of enterprise and is the most desirable and should always be promoted, well I say he is not reflecting my views, he's not reflecting the views of the New Democratic Party. But I say again, therefore, that all we've heard is a bunch of garbage.

MR. CHAIRMAN: 1.(a)—pass. The Member for Pembina.

MR. ORCHARD: Mr. Chairman, thank you. I didn't want to enter this debate until I heard the Member for Brandon East, and that didn't stimulate me to enter. I had some questions I wanted to pose to the Minister.

It's been indicated that course material was developed for use in the high schools and there're a number of textbooks that were used and I believe the Member for Rupertsland called them "an objective analysis", I believe is what he said. And Mr. Chairman, I would like to comment on this objective analysis which follows through the notable few years in Canadian history of 1930, where we have a number of political parties across Canada, and it's noteworthy to note that in 1932 one of the objective analyses of this textbook is the formation of the CCF Party in 1932, complete with a picture. And in 1933 another significant item of the objective analysis of co-operative development in the Prairies is that the CCF Party, born at Calgary, held its first national convention in July at Regina. The convention drew up a lengthy list of goals which became known as the Regina Manifesto, an objective analysis . . .

MR. CHAIRMAN: Order please. Is the member speaking to the resolution that we have before us?

MR. ORCHARD: I'm speaking to the Minister's salary, yes.

MR. CHAIRMAN: The Member for Pembina.

MR. ORCHARD: And then we go on a little further, and if we follow through to the 1935 election, we find that in the list of parties, that are in the 1935 election compared to the 1930 election, we have two additions, the CCF one and the Social Credit, number two. It's interesting to note, Mr. Chairman that in this objective analysis the Social Credit holds seventeen seats, fifteen of them in Alberta. But they're only noteworthy of a small little mention on page 161, indicating that they defeated a government. They don't have a full-blown picture of their national convention or mention of the Social Credit manifesto, but no, we've got the Regina Manifesto. And then we follow through to page 241, where a notable happening in Manitoba is the — where can I find it here? Basically that politics — CCF becomes the NDP, and once again we've got a full-blown picture of this new political party, with the former member of Agriculture's picture in the bottom right-hand corner at this convention.

Now, Mr. Chairman, I find that, you know, these textbooks which the Minister was going to use in the objective analysis and to quote the Member for Brandon East, "If they didn't want to force co-ops down the throats of people", a very interesting treatise in co-operative outlooks. A book of social studies is conflict of ideologies and we have such notables in there as George Keene, Karl Marx, Thomas Huxley, J. S. Woodsworth, and Robert Owen. And some of the quotes of this objective analysis, I think it was, for high school students, is a dialogue in which we have the various aforementioned notables speaking in dialogue to a moderator, and it is said in here, and I quote, Mr. J. S. Woodward, "Over the world, individualism and competition have led to a struggle for

raw materials and markets and have resulted in international competition in arms and war. In Canada it has led to the concentration of wealth in the hands of a few, and economic insecurity and poverty for the most." That's the objective analysis that we're going to give to our high school students, and I'll further quote from Mr. George Keene, "Industrialists have long learned to co-operate. The economic system your society presently has can hardly be called competitive. Unfortunately, this co-operation exists for the sole purpose of making the rich richer and the mighty mightier." Another objective analysis of the development of co-operatives which is going to become part and parcel of an objective analysis that wasn't going to force co-operatives down the throats of the people and the school students in Manitoba — objective analysis.

Another one we got, Mr. Robert Owen, quoting to the moderator: "It is wrong to believe that individualism and competition are the best principles on which to base a social and economic system." Now, Mr. Chairman, there's a ditty from Karl Marx, but I find it a little difficult to interpret what he's saying there, so I'll leave that up to more learned people in the doctrination of Karl Marx. But Mr. Chairman, I only wanted to mention that this objective analysis of material for our high school students had seemingly to me, a certain amount of political flavour to it which I don't know would have been proper in presenting co-operatives as a form of business organization to help people help themselves. I don't see the correlation in an objective analysis presented to high school students where we have to use such notables as Karl Marx, J. S. Woodsworth, in developing a philosophy which is an objective analysis. I find it, indeed, a little bit strange, Mr. Chairman. . . .

MR. CHAIRMAN: Order . . . Order please. Could we have one speaker at a time. The Honourable Member for Pembina. What is the point of order? —(Interjection)— Order please. Order please. The Minister of Highways doesn't have a point of order. It's a difference of opinion. The Honourable Member for Pembina.

MR. ORCHARD: Mr. Chairman, well I think it's notable to put on the record that the former Minister of Agriculture, the Member for Lac du Bonnet, finds it entirely acceptable that our high school students are given the doctrine of Karl Marx and we don't find it particularly objective in presentation of co-operative development to high school students. I fail to see what Karl Marx and J. S. Woodsworth, particularly have to do in presenting to high school students an objective analysis on how to organize and utilize co-operatives as a form of business organizations for the betterment of themselves and their communities. I do see however a certain amount of political philosophy and political bent in it and if that is what was intended, I wish the members opposite would admit to it instead of hiding behind the facade that they were trying to legitimately promote . . . —(Interjections)— no, I missed the co-operative course in high school . . . the facade of calling this an objective analysis in the study of co-operative development when really it was a subtle pushing of NDP philosophy.

MR. CHAIRMAN: (1)(a)—pass. The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I know it's relatively simple for the Member for Pembina to take out of context certain items and present an argument and I'm not going to attempt to do that as well. But I would want to indicate for his benefit, Mr. Chairman, that that particular book, and I have never seen it until today, is sequential and historical in the context of the involvement of the co-operative movement in this country or at least in the prairie provinces. That is how it relates to the significant events of the prairies over that period of time. Not only the prairies but Canada as a whole and if you look at many of the pages, I was surprised to see them myself, there is much mention made of political events in Canada and in a number of provinces having to do with elections, defeats of governments and so on. Quite a few mentions — well a mention every time with respect to federal elections and the issues that won or lost elections for the Federal Liberal Party, for the Federal Conservative Party and so on. It's all documented in those books as a historical feature, Mr. Chairman. So, yes it's very simple for the Member for Pembina to take a couple of items out of context and try to present a speech or an argument rather.

For the Minister of Highways, you know, he has told us something that we have always been somewhat suspicious of in any event. He has told us that yes he would restrict the quality of education in the school system. He has told us that yes he would deny the students certain pieces of information that should be there because he has no room for certain things to be found in the school text' Mr. Chairman. That's what he said.

Well, Mr. Chairman, if we believe in a free society, free to choose and to study and to learn everything that there is to learn, to study and to hear about and to see, Mr. Chairman, then that opens the door to everything, Mr. Chairman. —(Interjection)— No, we didn't say that.

MR. CHAIRMAN: Order.

MR. USKIW: No, no we didn't say that, Mr. Chairman. That means that in the school text a student has a right to know what capitalism is all about, what communism is all about, what co-operativism is all about. This is fundamental to the whole idea of education, Mr. Chairman. And why the Minister of Highways would want to deny the students that opportunity, the knowledge that is rightfully theirs, Mr. Chairman, if at all we give any credibility to the concept of a free society, Mr. Chairman, I can understand it, I don't agree with it. Yes, it seems that the Minister of Highways is prepared to purposely restrict the flow of information in order that his kind of society can flourish with an abundance of ignorance throughout it. With an abundance of ignorance on the part of the masses. That is the kind of society that he wants to have, Mr. Chairman. He doesn't want to have an enlightened society and perhaps the reason he doesn't want an enlightened society is because if they were properly enlightened, Mr. Chairman, he might not be here in the position that he holds. That may be a problem to him, Mr. Chairman. So I can fully understand his contribution and the reasons for it.

MR. CHAIRMAN: (1)(a)—pass; Resolution 34 — the Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, it was regrettable to have listened to the Member for Pembina for the last 10 or 15 minutes or whatever and to hear him take material as my colleague for Lac du Bonnet says, "out of context" and make a so-called distorted, provide a distorted view of what was in this particular document. As a matter of fact, I have only seen it this evening as well, Mr. Chairman, in fact I didn't realize it had been prepared. But from what I've seen it looks very interesting and it looks as though it was very well researched. I believe I understood in previous debate this evening that this particular document, the document for the schools, it was to be prepared for schools and was prepared in co-operation with United Grain Growers of Manitoba, with other farm co-operative groups, with various co-operative leaders and I also understand in dialogue and in discussion with teachers and educators in the Province of Manitoba, this is what I understand. And so I would think that the document was prepared with the assistance not only of the staff in that department at that time, but with the assistance of a great number of people in this province who have some knowledge and some interest in the co-operative movement and the history of co-ops.

I think that I would only say this as my colleague from Lac du Bonnet inferred, I think that it is regrettable that we hear a Minister of the Crown protesting about the existence of certain names, I think he used the name of Karl Marx among others, in this particular document. I take it from the remarks of the Minister of Highways that he really does believe in censorship, that anything that he doesn't agree with should not be allowed to be put in any book that might happen to be read by school children. And I would gather the Member for Pembina pretty well thinks that way as well. I think it is regrettable, it's an anti-intellectual attitude on the part of the Conservative Party representatives who have spoken this evening in this debate. It is very regrettable because it is anti-intellectual. I don't think we can afford to have an anti-intellectual group in this Legislature. I think that the public of Manitoba deserves representation which is enlightened. And I think to hear a Minister of the Crown infer that because there happens to be writings by Karl Marx, almost infer that such documents that ever mention his name should perhaps be burned. It reminds me of Nazi Germany in the Hitler age where you burn the books because you don't happen to like what's in those books and the Minister of Highways takes this very anti-intellectual approach. And it's regrettable, I think it's regrettable.

The Member for Minnedosa who has just joined us from his Caucus Room, I guess, you know should take note of this. I think it is regrettable that a Minister of the Crown can take, what I deem to be not only anti-intellectual but a very reactionary attitude, and to suggest that no documents should be prepared and made available perhaps to schools that happen to have the name of Karl Marx. I think that is entirely regrettable. Whether you agree with anyone's views or not, I think that it's incumbent that the school children of Manitoba in the school system of Manitoba be prepared to look at all authors, all economists if necessary, all economic points of view, all political points of view, all social points of view. And all I am hearing this evening, in the latter part of this evening, is a really very regrettable, very dangerous attitude that is being expressed . . .

MR. CHAIRMAN: Order please. Order please. Order please. Could we have one speaker at a time. The Honourable Member for Brandon East.

MR. EVANS: Well, you see you have the Member for St. James with his big red paint brush. He

wants to walk around with a big red paint brush and wants to paint everyone who doesn't happen to be on his side. He wants to paint them with a big red paint brush. You see, there again —(Interjection)— if the Honourable Member for St. James wants to get into the debate I would like him to get to the microphone and I'll be glad to give it up to him in a minute and I would like him to put his questions on the record. I know they are out of order but if he wishes to put them on the record, let him put them on the record.

But the fact is that what we are being subjected to is really a form of pressure. It's a form of harassment by the Members of the Conservative Party. Well you see —(Interjections)— Well, Mr. Chairman, it's

MR. CHAIRMAN: Order please. Order please. Could we have one speaker at a time and could I ask the speaker to address his remarks to the Chair? The Honourable Member for Brandon East.

MR. EVANS: I agree with the Chairman, and I sympathize with the position of the Chairman because it seems that in this Room 254, in the latter part of the evening, members of the government side are interrupting due debate and deliberation, making remarks that are intimidating and wanting to

MR. CHAIRMAN: Order please. Could I ask the member to address his remarks to the Chair. The Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, I am addressing my remarks to you, Mr. chairman, and I am saying that you have a very difficult job on your hand when you have members of your own Party who come in here and make disruptive remarks, bring in red herrings, try to depict members opposite to them in a particular light that they think is to their political advantage. Really being engaged in a late evening form of harassment and they should know better. I simply say that, Mr. Chairman, what we've heard today, this evening particularly from a member of the Treasury Branch who has had a lot of experience and who should know better, I think it is regrettable and it is not becoming to a member of the Legislature, it is not becoming — I think the taxpayers of Manitoba simply deserve a lot better that what we've been hearing tonight in the last half-hour, or the last hour, or so. Mr. Chairman, the Member for Pembina doesn't seem to like my rebuttal to some of the comments that he has made earlier on the Minister's Salary. If he doesn't like them, I'd be glad if he'd like to put them on the record again.

MR. CHAIRMAN: 1.(a)—pass; 1.—pass; Resolution 34, Resolved that there be granted to Her Majesty a sum not exceeding \$69,600 for Co-operative Development—pass.

That concludes the Estimates of Co-operative Development. Committee rise (Agreed).

SUPPLY — DEPARTMENT OF EDUCATION

MR. CHAIRMAN: I would draw the honourable members attention to Page 30 of the Main Estimates, Department of Education. We are on Resolution No. 42, Clause 3, Financial Support — Public Schools (a) School Grants and Other Assistance—pass — the Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman. Before the committee rose at 4:30 p.m. I was speaking about the Declining Enrolment Grant, Nutrition Grant, native para-professionals, and for the Grant for Print and Non-Print Materials. I'd asked the minister at that time whether there was any upward revision of the Declining Enrolment Grant and I have discovered that there had been, from \$350.00 to \$500.00, I believe. —(Interjection)— I'm wrong nn that, it's still \$350.00. Well, then if it's still \$350.00, Mr. Chairman, then it simply reaffirms the point which I had made earlier, that the doubling of the grant really ought not be looked upon as an increased level of support for schools faced with a declining enrolment problem, in terms calculated on a first student basis, but rather the fact that the number of students that'll fall within this count to qualify for this grant, that is, the decline of enrolment in excess of 1 percent will double and hence the doubling of the amount. So the increase is for that reason, and that reason only.

Now, insofar as the grants for and Non-Print Material, the point that I wanted to make and it'll only take me a minute or two to complete my remarks at this time is, as I'd indicated to the minister earlier just in doing a quick and rapid perusal of the Textbook Bureau order form, one could compare the textbook lists of three years ago with those of today and find price increases

15, 20, 25, 30 percent are not at all uncommon. They're the general rule and many increases even approaching 100 percent within that three year period of time. So on the Print and Non-Print Material Grants, thereto the level of support from the public purse to the school divisions is shrinking, because where three years ago if a textbook cost \$10.00 and today it costs \$15.00, a 50 percent increase, then there's going to be a fewer number of textbooks of that kind that that school division will be able to order. And the increases, the dramatic increases in the price of books seems to run right across the entire range, from kindergarten up to Grade 12.

As I indicated earlier I did a sort of random check of a number of grade levels, and I find that to be true; in the elementary grades — 40, 50, 30 percent; and junior high are no different they're around 50 percent — similarly at the high school level, and what's even more disturbing is that at the high school level not only are you looking at very significant percentage increases but in addition to that the per unit cost of the books at the high school level is much higher than that at the elementary all of which increases the burden upon the school division and all of which really means that for the same number of dollars or just for a few dollars more that the school division is receiving of which the total Grant figure reflects the purchasing power of the school division today is, in fact, less than it was last year, much less than the year before or the year prior to that. So the government is not keeping pace with the increasing education costs facing the school divisions in designing and delivering the Education Program that is demanded of them.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, just a couple of points in regard to what the Member for Burrows has been drawing to my attention. I'm very well aware of the increase in textbook costs and I would draw his attention to the fact that we have increased that Print and Non-Print Grant from \$12.00 per pupil to \$16.00 per pupil which is a 33-1/3 percent increase, Mr. Chairman, as well I pointed out to the Member for Burrows although he has come back to the point again that the School Nutrition Grant has moved from \$169,000 to \$185,000, an increase this year of over 9 percent.

I would see both these cases, Mr. Chairman, as certainly no cutback, but a decided increase.

MR. CHAIRMAN: (a)—pass— the Honourable Member for Burrows.

MR. HANUSCHAK: Except for the fact, Mr. Chairman, that a 9 percent increase in the Nutrition Grant is not really keeping pace with the inflation factor so to that extent the level of support has decreased from last year to this year.

MR. COSENS: Well, Mr. Chairman, of course I'm not sure if the Member for Burrows is advocating that all grants should increase 17 point something percent as he suggests inflation has increased. If he is suggesting that, then I would ask him where, in fact, he would expect any government today to find that particular money.

MR. HANUSCHAK: Apart from the fact of whether the level of support should increase in line with the inflation increase the point that I'm making, Mr. Chairman, is that the government and the minister should call a spade a spade, and as is evident in this case, and as the minister would agree and has in fact agreed, having indicated that the inflation rate is 17 percent, and this increase is only 9 percent, so let the minister say so.

They are not keeping pace with the inflation rate, and that, in fact, the level of support being offered this year is less than that which was offered last year, which is what it is, Mr. Chairman, but not any increased level of support as the minister tries to make it appear.

MR. CHAIRMAN: (a)—pass — the Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, there are two or three matters concerning the Winnipeg Division that I wanted to discuss with the Minister. One is, I wanted to ask him if he could perhaps make some comments about the possibility of providing assistance to the division for their summer enrichment program. I asked him some questions about this, I guess in the past week or two, and the problem of course being that the Winnipeg School Division, because of inability to have sufficient funding for various programs, which I guess would be called Enrichment Programs and they run a number of these, including the Adult Education Centre and so on, special programs for students within the Winnipeg School Division and in particular, students in the core area, and the kind of support they're getting for any of these programs, coupled with the kind of support they're getting in general —

and I know they've been complaining for many, many years about the way schools are funded in regard to the city of Winnipeg School Division — they just feel that the total funding is inadequate, so I give the specific example of their summer enrichment program.

And we know that the Chairman of the School Board, Mrs. Spivak, commented at one point, of course, that she felt that the division should not be running programs in the summer for underprivileged children because that was the time of year when children should be at camp, which of course was a logical position but it just did not ultimately make sense in that the parents of these children could not afford to send their children to camp.

So you had a program which the Division was funding for some 2,200 young people during the month of July, 4 days a week, funded by the school division, which was a combination educational and recreational program. And as one who grew up in the inner core area, along with a number of my colleagues, I don't recall any programs like this, but we know the necessity of programs like this. I also said to the Minister at the time that if he were able to assist in the funding of some of these special programs he would also help provide some needed employment for several hundred unemployed teachers who are finding it difficult to find any employment.

So I wanted to ask him whether he had had any discussions with the Chairman, or with any members of the school division, whether there has been any liaison between the department and the division, and whether he could report on that.

MR. COSENS: Mr. Chairman, I can report to the Member for Elmwood that I, as a rule do not have the benefit of discussing with school boards the particular programs that they may decide to continue or discontinue in a particular year. They establish their priorities and make their decisions in that regard, particularly programs that fall outside the parameters of what we would usually judge to be the ordinary educational process, and I would suggest to the Member for Elmwood that indeed this program, as I understand it, is basically a recreation project although there are possibly some educational benefits, and I would suggest to him that this is the program that was discussed in Question Period today with the Minister of Health and Community Services and I believe the Minister of Labour and Manpower also had some interest in this particular area. In other words, in the area of recreation programs and programs that are conducted in community clubs during the summer. I would suggest to the Member for Elmwood that his question regarding this type of program might better be asked in those two particular areas.

MR. DOERN: Well, Mr. Chairman, I would point out to the Minister that the parents, representative number of parents who protested the program cut when they appeared before the Winnipeg School Board — this would have been a couple of weeks ago — made it very clear that they do not want just a recreational program, that they, and I quote from a newspaper report, that they "want it to be educational as well", and it apparently provided three hours of classes and other activities for these 2200 students. So I say to the Minister, Mr. Chairman, and appeal to him that there is and has been an educational component, and I believe that he should give that some thought, that he should not close the door to the possibility of special funding for these inner city children.

The other point that I would like to ask the Minister about, Mr. Chairman, is the Adult Education Centre, and I know the Minister is familiar with the operation which takes place downtown near the YM and the YW, and has been doing, I think, an excellent job for a number of years, and it is funded by the Winnipeg School Division. One of the problems there is that there are many students in the suburbs of Winnipeg who would like to attend what is, in effect, an Adult Day School, and it's the only one of its kind that I'm aware of in the province. It satisfies a need of adults who want to take classes during the day rather than the old, long, arduous process of taking evening courses.

And the problem essentially is for people who come from suburban Winnipeg, who want to take courses at the Adult Education Centre, and they are therefore non-residents and they have to pay a premium to attend. So you find a peculiar situation at the school, and the Minister knows that last year I had the experience of substituting there in the summer, so I had some first-hand experience with their operation. You find the following peculiar circumstances there, Mr. Chairman.

A large number of foreign students and a large number of Winnipeg students and the suburban portion of the City of Winnipeg is either not represented or under-represented. Now I'll tell the minister something else which he may not know and that is that there is some considerable subterfuge and bending not on the part of the Administration of the school, but on the part of some of the students who attend who go to great length to momentarily become citizens of the City of Winnipeg so that they can take advantage of the curriculum, because if they are Winnipeg residents, they pay \$20.00 a course; if they are suburban residents or non-Winnipeg residents, non-school division representatives, they pay \$200.00 a course; so a full year at the Adult Centre costs a Winnipeg student \$120.00 which isn't very much, but a non-resident has to pay \$1200.00

which is a great deal of money. So some of the students, recognizing what's involved, suddenly start living with relatives in the City of Winnipeg, or somehow or other, take up residence in the City of Winnipeg, and in that way, they are able to access the Adult Education Centre; therefore, the City of Winnipeg is picking up the difference. Now, I don't know what the difference is — maybe it is \$1,200, it's probably \$1,200.00 per student, so presumably a resident pays \$120.00 cash and a division through taxation picks up the difference which would be \$1,080.00 and I know, from first-hand experience, from talking to students or ascertaining what is happening, that some of them are using artificial addresses, that some of them are living with relatives, that some of them are living with relatives during the week and then going home on the weekend, because they have no way of handling the problem other than resorting to this type of deception which is, of course, illegal and unethical and everything else, but nevertheless, they're doing it.

So I simply say to the minister, he's aware of this problem, I'm sure he heard of it a long time ago when he was one of the star teachers out at Stonewall Collegiate and he certainly has been aware of it and made aware of it in the time that he's been minister. This is, of course, a burden on the City of Winnipeg and in particular, it is depriving hundreds of students, I don't know how many in a particular year, but literally hundreds of students in suburban areas who could access this program if there was some special funding by the province and, in fact as I just outlined, there are people who are beating the system now, so the Winnipeg taxpayers are getting hooked for that amount of money, thousands and thousands of dollars to underwrite these particular students.

I know that appeals have been made to the minister; I know that they've been made to the department, and I'd simply ask him whether he has any comment now on the situation and whether he would be prepared to provide special funding to the Winnipeg School Division so that they could open this school to students either within the entire city of Winnipeg or within the province of Manitoba.

MR. COSENS: Mr. Chairman, I understand that this particular situation has existed for a considerable number of years. This is not a new problem that the Member for Elmwood is mentioning, and of course, I have to agree with him, the problem has been brought to my attention and I can tell him that we have it under study and are looking at possible solutions in this regard. It's rather a complex problem, of course and really goes beyond this one specific situation.

MR. DOERN: Mr. Chairman, I'll just add one more point. I don't have the figures, although I recall having them last year, for a very small amount of money per year, I just forget how much the estimate was last year, but for a very small amount of money, I believe so many dozen students per year are now taking courses there, or inquired but did not take them because of the financial barriers. If the province were to put up the money for the non-residents, and perhaps to also fund some of the Winnipeg residents, I think the Minister would find that it is not as burdensome as he might anticipate. So I would hope that he would look into this further.

Now, the other thing I wanted to ask is, I would like to have him provide a report on a school, which is in my riding, which has been very much in the news in the past number of months starting in I guess August, and that is the George V School. The people in my area who are in the neighbourhood of that particular school have really been through the mill, and I'm going to make a few points and ask the Minister if he can give us an up-to-date picture. Because starting last summer it became known to people in the area that this school — there are two schools there — that the older school was going to be closed and that the students were going to be bused over to another school in the area, Sir Sam Steele is where the students were going to be taken.

Now, there are an endless number of engineer's reports brought forth and studied and restudied and I know the parents were so exercised at one point and were able to raise sufficient funding, that they volunteered to hire their own engineer to study the report, because there was some feeling by some people in the area who had expertise in this field, that the engineer's report was faulty. And it was on the basis of the engineer's report that the school was closed. So all of a sudden the people started to check into it, and this whole thing has been going on since August, it's now April, the school term is fast approaching its end, and we're talking about an amount of money which has varied, I guess, from under \$100,000 — I don't know, I've heard reports, I think as low as \$25,000 to \$50,000, a figure of \$104,000 was mentioned, and a figure of \$200,000 was mentioned for structural repairs and for renovations.

Now, two other things I think should be brought in to put this into perspective, and I have raised this matter with the Minister. One is, at the very time when he was finding additional moneys, a million or two extra for private and parochial schools, he was also, within the department, having to make decisions which affected particular public schools, and saying to them, in effect, there isn't

any money for this purpose. So it would seem, Mr. Chairman, that whereas there was money available for schools outside the public system, there was no money for certain specific purposes within the public school system, which in my books, should have priority.

The other point that I make, in passing, is that when we talk about renovations and structural repairs, the paradigm case is Red River Community College, and I intend to discuss this with the Minister when we come to that particular point. But I say now that there have been millions of dollars spent on renovating that particular college, because of structural flaws which were the fault of a particular engineer who was hired by the designing group of architects, I guess somewhere in the mid-1960s, and we have spent millions of dollars, and by the time we're through, we'll spend as much as \$6 million, using figures that I recall from 1977. Maybe in 1979 dollars, it'll be even greater than that.

So I wanted to ask the Minister about the George V problem, because the parents have really been through the mill. They have had endless meetings, they have gone to the school board time and time again — I don't know whether they have actually yet made a specific request to meet with the Minister — they have been to the Public Schools' Finance Board, the Winnipeg Division has gone with them to the Public Schools' Finance Board, they have had dozens of meetings. They have had fund raising; they have had socials; they have had endless, I guess discussions with the media and so on; this is a real grass-roots organization of people who don't want the neighbourhood school closed. That's really what it comes down to.

But the point here, Mr. Chairman, is that we are not dealing with a very large amount of money, and it's even questionable whether the amount that we're talking about is the amount that is required. So I just would ask the Minister if he can give us an up-to-date report because you know, these people have been, I guess like a ball in a ping pong match, or table tennis, or tennis match, they've been just bouncing back and forth. And I wonder if he could inform us as to where this matter is, and if he thinks it can be brought to a satisfactory resolution.

MR. COSENS: Mr. Chairman, I can inform the Member for Elmwood that it's my understanding that a proposal has been made by the Public Schools' Finance Board to the school board in question regarding the renovation that should, in my estimation, solve the problem. This has happened in the last few weeks.

MR. DOERN: I wonder if the Minister could provide any details of that. I assume that that offer is more or less public, or is public. Could he indicate how much money he's talking about, and is he aware of what purpose that money would be used for?

MR. COSENS: Mr. Chairman, I would have to check the details of the report in question to have the exact sum of money, but I know that this particular proposal was made by the Public Schools' Finance Board to the school division some weeks ago.

MR. DOERN: The final question I have here, Mr. Chairman is, did a request come — I believe the Minister responded, when I asked him a question, affirmatively — did a request in the sense that he would be prepared to meet with the parents or the school division on this matter, did a specific request ever come to him from the parents or from the school division to discuss this issue, because he did indicate he would respond positively to that. And I just ask him, for the record, whether he did get such a request?

MR. COSENS: Mr. Chairman, I'm not aware that I have received such a request.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. D. JAMES WALDING: Thank you, Mr. Chairman. I had a few questions for the Minister. The Minister took as notice some questions that we asked him last week, and undertook to provide a couple of research reports that were in his possession. I wonder if he is now in a position to give us that information?

MR. COSENS: Mr. Chairman, I have a number of answers to questions that were posed by the Member for St. Vital that I have sent across to him now. The two reports in question, I have omitted to bring with me this evening. I will have them here tomorrow.

MR. WALDING: Thank you, Mr. Chairman. It will take me a little while to go through these, but in the meantime, I'd just like to refer back, if I might, to a discussion that we were having on Friday afternoon concerning the percentage of the provincial input into education as compared with the

local input. And I believe that we were discussing figures like 73 percent, or 72.3 percent, and it seemed a matter of some humour that we were arguing over such a portion of one percentage point in the amount. I did a little bit of arithmetic over the weekend, and on the figures that the Minister had given and some figures that the Association of School Trustees had given, and the figure that we were using of 72.3 had been used by the Manitoba Association of School Trustees. They were using a total government share of \$319 million being made up of \$202 on the government share of the foundation program, plus \$117 as being 100 percent of one tax credit scheme. And that worked out as a percentage at 72.3.

The Minister didn't tell us which figures that he was using, although he did say that he accepted the figure of \$117 million for the tax credit, and I assume that \$440 million, or \$441 million would be acceptable as the total cost of education that year.

Now, Mr. Chairman, if you add in to that \$202 million, the \$3 million in excess which goes to private schools, then the percentage comes out at almost exactly 73 percent, 73.1, which the Minister had given to us, which I believe is very significant, and more significant than the Minister was prepared to admit, Mr. Chairman; for what the Minister is in fact saying is that it's not a matter of government input into public school education, what the Minister, and presumably the government which he represents, is saying to us that this is the government share of the costs of education. The matter is of some significance, Mr. Chairman, because it boils down to whether the government is financing public education and then it is finding some money on top of that for private schools, or whether, as appears to be the case from the figures that I've given you, that the government is prepared to put up a certain amount of dollars for education in Manitoba and that is to be divided between the public school system and the private school system. The figures that the minister gave us on Friday would suggest that that is exactly what they are doing and that the total pie is somehow to be divided up between those two systems. We've seen in the last two years, the division of the pie growing as far as the private schools are concerned by a figure of 200 percent in fact. Three times what it was the previous year.

The school trustees and the teachers as well, and some of my colleagues here raise concerns about the standards in private schools, the matter of certification of teachers, the fact that these private school teachers should be of a standard equal to or similar to that of teachers in the public schools.

And there was the matter of the physical facilities that the safety, fire safety and sanitary arrangements should be on a par with the public school system.

And there was the matter of the curriculum, that that should be brought up to the same standard as the private school system too.

I believe there were one or two other conditions that also should be imposed to bring conditions in those private schools up to that of the public schools.

Once you accept those conditions, Mr. Chairman, why should not the funding to private schools be also at the same standard as the public schools. What will the minister say next year, when the private schools come back to him and say, "You're giving us \$380 per student this year, yet you are giving \$1,000, \$1,500, \$2,000, whatever the figure is, for each public school student." What will the minister's answer be then? How will he answer that argument, that because he, by regulation, is insisting on standards for the private schools, as being the same as those for the public schools, what argument will he then have for the funding being any different for children in private schools, as opposed to those in public schools? We have seen the figure go from \$1 million two years ago to \$3 million this year. What will it be next year, Mr. Chairman? Are we going to see a doubling or a tripling of the amount next year? But perhaps more importantly, is it going to be still that same education budget that will be divided between the two groups? That is to say, any money that goes to the private school system means that much less will go to the public school system. I'd like the minister to comment on that.

MR. CHAIRMAN: The honourable minister.

MR. COSENS: Mr. Chairman, I believe I have commented at some length on this particular topic. In fact, the Member for St. Vital is trodding old ground, I would suggest and, of course, repeating statements that have been made by other members on his side previously in this argument.

I would like to go back to his first point though, and just reiterate again, I'm not aware of the particular mathematics he's using, but to arrive at the 73.1 percent, I would say to him again, that if he takes the figure of the government's share, the money is going to the public schools of this province — it amounts to some \$318.3 million, over a net expenditure and I say to the public schools of this province, a \$435.6 million, which does come, Mr. Chairman, to some 73.1 percent. So I have some problem in his continued insistence that for some reason this figure of 73.1 percent doesn't exist. I say it does, Mr. Chairman. If the Member for St. Vital doesn't want to abide by

those figures, then there's not very much I can do about it. Those are the figures, I suggest that if he checks them out, he will find that the percentage is 73.1.

MR. WALDING: Mr. Chairman, I don't quarrel with the minister's arithmetic at arriving at that. What I was questioning, was the figure that he was using and the suggestion that I was making, was that he was adding into that amount the \$3 million that was going to private schools this year. That was the point that I made and I went on from that to suggest that that was the way that this government looks at education, as providing a certain lump sum of dollars and then dividing that sum up between the private school system and the public school system.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I understand my colleague, the Member for St. Vital's problem with the minister's figures. The minister says, "I give you the figure, there it is and you can't change it." I have some difficulty, Mr. Chairman, with some of my honourable friend's figures and I just want to make sure that I'm not misunderstanding him, before I proceed.

The honourable minister is quoted as saying that it would cost \$16 million to bring the students of the private schools into the public school system. He told us that there were 8,000 students in the private school system. He told us that the cost per student in the public school system was \$1,000 per student. If the cost persisted, and I'm not suggesting that it would, then I get 8,000, thousand which I get as 8 million and I'm not accepting that, but for the moment, am I right that 8,000, thousand is 8 million.

MR. COSENS: No.

MR. GREEN: Well, the honourable member says that 8,000, thousand is not 8 million.

MR. COSENS: You're not right with the thousand, the total cost to the taxpayers of the province is \$2,000.00.

MR. GREEN: All right, Mr. Chairman, the honourable member has indicated that it is \$2,000 — \$2,000 per student and that's what I wanted to know. You're saying that the grants to the public school system is 1,000 and the balance that the public school system pays is 1,000, so Mr. Chairman, on that basis the government is paying 50 percent of the cost of education. I mean, how many calculations do we have here. Now, you're telling me that you're paying 50 percent of the cost of education, because you say that the province paid \$1,000 grant and the total cost is 2,000, so the province is paying 50 percent of the cost to public school education, and of the amount that you are paying to private schools, you're paying \$380.00. So, if we take it as rounded off, at 300, 8 times 8,000 times 300 is 2 million what? It's 2 million 4, is what is being paid now. That cost can't be repeated, that cost cannot be repeated.

But furthermore, Mr. Chairman, for a man who talks about the basics, to present that kind of superficial nonsensical calculation indicates that he should be taking some basic arithmetic, because Mr. Chairman, that is correct — absolutely, that is the most fallacious argument that has been pursued over the past years, that if it costs \$2,000 per student, to educate a student in the province of Manitoba and you are educating 215,000 students, the next student costs you \$2,000.00. Is that what you're telling me? Is that what your bureaucrats are telling you? Because if that's what they're telling you, they need education in the basics and so do you. Talk about reading and writing and arithmetic, Mr. Chairman, if a Minister calculates that the next 8,000 students that come into the public school system cost \$2,000 per student, I say he doesn't know basic arithmetic and I challenge him, to go to any person conversant in mathematics and I will let him judge whether the marginal student costs the average cost per student.

Because, Mr. Chairman, that is absolute nonsense. It will not be confirmed by anybody learned in mathematics. The average student costs \$2,000, Mr. Chairman, but the marginal student costs what it costs to educate that additional student and it doesn't cost \$2,000 and it brings the average cost down. So in a very short period, in one phrase, Mr. Chairman, we have this man who says that reading and writing and arithmetic, the basics, are what Conservatism is going to bring back —(Interjection)— Oh he never said that? Mr. Chairman, the Minister is saying that the Conservatives are not going to bring back the basics. Okay, Mr. Chairman . . .

MR. COSENS: Mr. Chairman, on a point of order.

MR. CHAIRMAN: Order please. The Honourable Minister on a point of order.

MR. COSENS: I don't mind at all the Member for Inkster saying that I have stated the importance of the basics, but to stand there and try to portray that that is the only thing in the educational system that I say is important, is an absolute distortion. I would have expected more of him.

MR. GREEN: Mr. Chairman, if I said — and the words are in Hansard — that the Honourable Minister says that the only important thing is the basics, then I will apologize to the Minister. But, Mr. Chairman, I never said that, and it's in Hansard. I said that that Minister said that the Conservative Party is going to bring back the basics. It's he who said the opposite. It's he who said that the former government or somebody over here said that reading and writing and arithmetic are not important, and nobody has ever said that, Mr. Chairman. And I never said that the Minister said that the only thing that's important is the basics. He doesn't have a good man to hit down, so he creates a straw man, because he's having a little difficulty with his arithmetic, and I will go back and say that this government that said it's going to bring back the basics, and I believe that those were my words and I believe that they will be recorded on Hansard, and that's what you did say, that you were going to bring back the basics. —(Interjection)— Oh, Mr. Chairman, he didn't say that and I'm happy to hear that the Conservatives are not going to bring back the basics, because I had the impression that they were saying that they were going to bring back the basics. But now they say . . . Now let's go, let's go to the Ministers — this Minister, who is not going to bring back the basics, and I can now see why, because he doesn't know basic arithmetic, he Chairman: said the following things, Mr. He said that to bring 8,000 students into the public system, and first he's used the figure \$1,000 per student — but I'll forgive him for that — it's going to cost \$16 million. Then he said the way he got 8,000 thousands as being \$16 million, is that in order to figure out the real cost, you have to take not only the provincial grant but the local level payment and that comes out to \$2,000 per student, so that comes out to 8,000 times 2,000, \$16 million, but Mr. Chairman, the same Minister said that the province is paying 73 percent of the cost of education.

Now I don't know, when I went to school — good old Conservative days during the Depression when we had high unemployment and everything was wonderful under Toryism — Mr. Chairman, they taught me that one of two is a half, not 73 percent. That one over two is a half. That's what you taught me in your Conservative schools. Now the Minister says one over two equals 73 percent. That's his first lesson in basic mathematics.

His second lesson in basic mathematics, Mr. Chairman, is that if the average cost of sending a child to school is \$2,000 and you are sending 215,000 children to school, then the 216,000th child costs \$2,000. That's what he's saying. That's exactly what he's saying. That is what he is saying. —(Interjection)— Pardon me? Mr. Chairman, he is saying that the marginal cost of bringing people into the system equals the average cost. Now I was taught something completely different by — this wasn't the basic arithmetic classes, but it was in economics, where they told me, Mr. Chairman, you'd better go back to the university, tell them that they're befouling the minds of our youngsters.

They taught me that the marginal cost does not equal the average cost, that the average cost includes all of the fixed costs, much administrative cost, and that the marginal cost is considerably less than the fixed cost. And therefore this figure of \$16 million to bring 8,000 people into the public school system is a fraud, Mr. Chairman. It is an absolute fraud. It is designed to suggest that the people who are taking the children out of the public school system are saving us money, and not only is it a fraud, but the Department of Education told the Conservative administration in 1965 that it was a fraud, and the Conservative members of the House got up and showed that it was not so, that the cost of educating in the public school system those people who were in private schools would equal the average cost of education of children in the province of Manitoba.

And for the Minister to use that figure demonstrates, Mr. Chairman, that he is surreptitiously trying to create the notion that people leaving the public school system are not a cost to the people of the province of Manitoba but rather a saving. And you know, I haven't dealt with this thing on the question of cost. I haven't said that we have to look for the least expensive way. I haven't said don't send children to private schools because of the money involved. That has never been my pitch. But what the Minister is doing is doing the reverse. He's coming back and saying "We are not losing anything." Well, first of all, Mr. Chairman, let him know that 30 percent, even if the figure was \$16 million, which is a fraudulent figure, absolutely fraudulent, even if it was, \$380 is now being paid. 380 over 2,000 is . roughly 20 percent. So 20 percent of \$16 million, you've got to take that off immediately. That's 3.2 million. And the honourable member says that it's the difference between — well, maybe I have to now back up and say that the honourable member did take the \$3 million off. He did do that. And I will acknowledge that. He said it's the difference

between 16 and 3, so he didn't say the entire \$16 million. Except he did, I'm sorry. I'm sorry for taking it back. Excuse me. I took back what I took back. He says here, Mr. that we were looking at a total increase to the taxpayers of the province of Manitoba of some \$16 million. That's what you said. Let's just consider for a minute what would happen if all the students in the private system were to come back into the public system. We would be looking at a total increase to the taxpayers of this province of some \$16 million. And he said, "And it's quite right, Mr. Chairman. With the clarification of the legislation last early summer, that it has necessitated the provision of some \$3 million in the payment of new grants."

But the difference between \$16 million and \$3 million, Mr. Chairman, I suggest to you is rather considerable. So he said both, we will take half back, and allow half. The figure, interesting that he wanted to convey as a total increase to the taxpayers of the Province of Manitoba, was \$16 million. I say, deduct the 3 which he has already deducted — that's \$3 million — deduct, and I won't even deduct the fact that \$1,000 is 70 percent of something like \$1,400, not \$2,000, because I accept the fact that the Minister is not giving 73 percent, he's only giving 50 percent.

So, while I will allow him \$2,000 per student, not \$1,000; but, Mr. Speaker, the greatest part of this fraud, is, and it cannot be substantiated by anybody who has an understanding of basic mathematics and economics, that the cost of the marginal student is equal to the cost of the average cost per student. That is not, Mr. Speaker, basic mathematics; it is not basic economics; and demonstrates, Mr. Speaker, that the Minister needs a lesson in the basics.

MR. COSENS: Mr. Chairman, I would like first of all to clarify a little bit of the mathematical computation of my friend, the Member for Inkster, who has some problem with the 73 percent, first of all, and says, "It's not 73 percent, it's 50 percent." Mr. Chairman, the statement I made was that total government support to the public schools of this province, was 73 percent, approximately, 73.1, 73.2 percent, and that is the total; and that is based on the same type of computation that has been used for years back, Mr. Chairman, including the grants that are paid directly to the school divisions, and including the rebates that are paid by the government toward school taxes. And that is 73 percent, Mr. Chairman, not 50 percent as the Member for Inkster suggests.

MR. GREEN: Mr. Chairman, again I am going to allow something to my honourable friend. The fact is that I used those figures because he used them. I am merely showing him that he's using two sets of figures. Mr. Chairman, I asked him in this House whether eight thousand thousand is eight thousand, eight million, or sixteen million, and he says, "You have to double it, because the total cost of education is \$2,000 per child." \$2,000 per child, of which the province is paying \$1,000; one thousand over two thousand is a half.

Now, I will concede, Mr. Speaker, that the Minister is using two different sets of figures for two different purposes: One, when he is describing the cost of education, when he wants to justify his stand on private schools; and another, and separate and different, when he talks about how much the province is giving to education. And when he talks about how much the province is giving to education, he uses the grants plus other moneys which do not figure in the \$2,000, and he says that that was a method of calculation. Mr. Chairman, it probably was; I'm not going to argue with it.

I do indicate, Mr. Chairman, that the one thousand over two thousand shows that the contribution to education is 50 percent, if you do not calculate those other matters. And it's interesting, Mr. Chairman, it's interesting, but for this purpose, he is using a different system of calculation. That's really the significance of it, that when he is talking about public aid to private schools he uses a different criteria for his calculations, that's all.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, I'd like to get into this as well, and approach it somewhat differently. Now we've been hearing from the government, starting back, I think it was in February, March, when they announced the Foundation Program — a 6 percent increase to the Foundation Program. And that was the story. The reaction, we've heard already from some of my colleagues. The school trustees, who felt that this was certainly inadequate, that it did not keep pace with their costs, because they had uncontrollable costs of such a level — let's say 7.5 and 8 percent; and teachers, and maintenance staff, the cost of drivers and so on, which are uncontrollable; as well as heating costs, the maintenance of the buildings, that 6 percent was not going to cover it, and there would be a shortfall, automatically, between the 6 percent and the 4 percent.

But, you know, if you look at the 6 percent and the 10 percent that the school boards felt they needed in order to keep pace with inflation, but they persist in using the 6 percent, and I believe

the Minister used it to, and I started to question him on Friday on that. And he eventually conceded to me that, no, it wasn't 6 percent — I used the figure of 4.5, he said "No, maybe 5 percent." If you exclude, eliminate, from the total calculations of this line — the line dealing with the School Grants and Other Assistance — if you eliminate the amount going to the independent schools of close to \$3 million; based on that, he says it's 5 percent.

Well, Mr. Chairman, even that 5 percent I suggest to you isn't quite 5 percent. In fact, I say the provincial share of the Foundation Program is 4.5 percent; about half a percent, close to half percent, is the levy made by the province on property which forms part of the Foundation levy. That Foundation levy is a direct tax on property, which is turned over to the Finance Board, and which gives them the money to pay out the moneys under the Foundation Program.

But the actual amount flowing from the provincial consolidated fund is 4.5 percent. One-half percent comes from property tax levied under Foundation levy, as indicated on the tax bill; another half percent is Other Grants, it's not part of the Foundation program, it is other grants, special grants of one kind or another, which we see on another page. It's Tuition Fee, Indians; Interest Rates; various and sundry grants, which are not part of the Foundation Program.

So the Foundation Program itself, rather than being 6 percent, as the news releases, information services, as issued in their statements on behalf of the Minister, the newspaper stories which then picked up from government releases, their understanding of what it is, where the Finance Minister announced grants to the province's school division, the Foundation Program being increased by 6 percent, where, as I say, in fact it is not a 6 percent increase. It is a 4.5 percent increase; another half percent, which is a direct tax on property, another half percent, which is made up of other grants.

And this at a time, Mr. Chairman, when last year we saw the freezing, with the exception of a certain, very small category of people — the freezing of the property tax credit which was increased annually in order to recognize the fact that the Foundation Levy might rise and the school taxes are bound to rise as school costs inevitably have to rise. So we find this year, a situation, whereas last year I think what the government did was increase it by about 10 percent, this year it's 6 percent less, as I say, the half percent raised by the Foundation Levy, half percent is other grants, so we are basically talking about 4.5 percent, and again, unless the budget that we still have to hear from, unless they come up with an enhancement of the Property Tax Credit Program, it will be two years that the Tax Credit Program is frozen, with the exception of that very small element in our society who happen to be 65 years of age but whose incomes are so high and whose housing is so expensive, that they don't qualify for the additional \$150 which people of lower income do, and who have to pay school taxes for which they would qualify.

So I wanted simply to correct some of the misconceptions which have been floating around, thanks to government releases earlier, before the Session started, and which have been referred to by the Minister in his comments a number of times, and I think it is because of this difference of opinion and difference of interpretation on how these grants come forward, that the school trustees of Manitoba are claiming one percentage and the Minister keeps talking about 73.2, where the school trustees apparently are saying 72.3. And I suspect that the trustees are more correct because they are probably approaching it the way I am, saying that the Foundation Levy is a direct tax on property and therefore it has to be included in the tax on property just as general levy is a direct tax on property, that in fact the \$36 million, which is other grants, which are not part of the foundation program and are not really part of it and therefore they can fluctuate from year to year very easily. They could very easily fluctuate, they could be eliminated.

I notice in the case of the City of Winnipeg for example, the Winnipeg special, which was an amount granted to them I think maybe three years ago, recognizing the unique problems in the City of Winnipeg, where we made a special grant to them. And last year I believe it was \$1.2 million, I notice a drop of \$200,000, a 20 percent drop, to \$1 million. I don't know what the reason for that is. I don't know whether the city feels that it doesn't need the money or it really has asked for less than it had in the past. My understanding of the problems in the city is that they haven't eased any, if anything, they have become even more severe, and will continue to become more severe as Winnipeg School Division No. 1 has a larger percentage of the students made up of immigrant children, people who emigrate in from northern Manitoba, that element of student which should be getting even greater support in order that their education be equal, equality. You know, you talk about equality, you can't just say well, we give the same standard to everybody, it's there, and those who can avail themselves of it, good luck to them, and some will survive and some won't. You have to recognize that certain people start with a handicap, and when you start with a handicap, it's very common to give someone a better chance, a better opportunity at it, a slight edge, and the edge we tried to give them was in making moneys available to the city for that purpose. Why it's been cut from \$1,200,000 down to \$1 million, I'm not sure, and there may be a good reason for it, the Minister can reply.

But I simply wanted to indicate to the Minister that when he talks in terms of this 6 percent on the foundation program, to please couch his words. Use his language a little more precisely. That foundation program has not risen 6 percent, it's gone up 4.5 percent, the foundation levy has gone up about half percent, and a half percent are other grants which, in total, add up to 6 percent and which is even less I believe than last year. So instead of an attempt to keep up with inflation or try to maintain a level that the school boards can cope with, I think this year has shown a step backwards, and maybe they are simply laying the groundwork for something special next year, and I suspect they probably are with this White Paper on taxation. And I could maybe even take a few guesses on how they are going to do it, but I'll wait until they are ready with that particular document.

But certainly the teachers, the trustees, and more important, the students, have much to be proud of with the amount of money that's being offered by the government for this year. And before the Minister rises and says to me, well, what would you do, where is the money going to come from, then I want to say to the Minister, he sent out a circular to his constituents where he said he gave up \$83 million in revenues. I suggest to him, if he wants to take credit for that \$83 million in tax relief, then he has to also take credit or responsibility for now standing and saying, we have no funds.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, just on the last remark of the Member for Seven Oaks, I would remind him that that's the same taxpayer that in general benefits from that \$83 million. However, I would like to go back to some of his earlier remarks and just correct what I feel is not a correct interpretation. He keeps talking about \$3 million, when in fact it is a \$1.8 million increase in the private schools agreements.

MR. MILLER: Mr. Chairman, a clarification. There is an amount shown as \$1.8 million, is it, to private schools?

MR. COSENS: \$1.8 million, an increase.

MR. MILLER: Increase. Yes, I agree, it's an increase, but in total I believe it's \$3 million, and that's really what I was saying. You have to deduct the \$3 million from your public schools money.

MR. COSENS: At the same time, Mr. Chairman, I would like to clarify the point that the Member for Seven Oaks makes in his reference to the information that we sent out earlier to school boards, where we in fact said this represented a 6 percent increase in the amount of government moneys going to school boards of this province. I stick by that figure, Mr. Chairman, that in fact it is, it was, and will be 6 percent.

Now the Member for Seven Oaks refers to subtracting some part of the Foundation Levy and so on. Yes, we can do that I suppose, and you can lower that figure. I merely say that we are using the same type of computation, the same type of comparison that has been used for the past eight, ten years at least, when we arrive at those particular figures. And I say to him in fact it will be 6 percent of an increase that does go to the school boards.

MR. CHAIRMAN: The Honourable Member for St. Johns.

MR. CHERNIACK: Thank you, Mr. Chairman. I listened very carefully to the Member for Seven Oaks and to the Minister. I'd like clarification, he says it can be, it is, and it will be 6 percent. What about the one-half percent, I gather, which was collected on property tax? Is the Minister suggesting that that is provincial contribution from provincial revenue?

MR. COSENS: The statement, Mr. Chairman, I don't have the particular letter with me, stated that this would be moneys coming from the provincial government to the school divisions of this province, and the amount of moneys going from the province to the school divisions will be a 6 percent increase. It will include, yes, it will include those moneys that have been raised under the Foundation levy, that's quite true, it always has.

MR. CHERNIACK: Well, then Mr. Chairman, just dealing with that ½ percent of moneys raised on property tax, does the minister say that that is a provincial levy and that it is provincial revenues that are used to pay that ½ percent, which came as part of the Foundation levy? Does he assert that that is provincial revenues, it's just as clear as that. Is it provincial revenues that he says make

up that ½ percent?

MR. COSENS: Mr. Chairman, certainly we can quibble about words here, and I merely point out to honourable members opposite that I am using the same type of reference points in making these statements, as I understand have been made for years in comparing the different percentages in the Education budget and the amount of financing. It's quite true that that comes from local levy, that particular amount of money, in the Foundation program. It comes from local money this year, it did last year, it came from local money in 1976, Mr. Chairman, when in fact, the amount of provincial contribution under the same terms of reference, the same computation was 73.4 percent, Mr. Chairman, under the previous government. But I'll say, Mr. Chairman, in that particular year, I'm sure the Member for St. Johns or Seven Oaks didn't point out that, in fact, they were including the 20 percent of the Foundation levy in their particular 73 percent statement.

MR. CHERNIACK: Mr. Chairman, there was a time when I had great regard for the Member for Minnedosa. I have to say that he's sinking lower and lower and lower in my estimation. —(Interjection)— Mr. Chairman, I've made my statement openly, publicly and for Hansard. The Member for Minnedosa never stands on his feet and never says anything good, bad or indifferent. I still have the floor, Mr. Chairman.

MR. BLAKE: Mr. Chairman, on a point of order. The Member for St. Johns says I never make my statements. . .

MR. CHAIRMAN: Order please. The Honourable Member for Minnedosa on a point of order.

MR. BLAKE: Yes, on a point of order, Mr. Chairman. The Member for St. Johns says I don't make my statements clearly and from my seat, I'm issuing them when I don't stand and be recognized by the Chair. Am I recognized by the Chair?

MR. CHAIRMAN: On a point of order.

MR. BLAKE: On a point of order. I said that he was using innuendo and being evasive and slippery and slidy about his remarks, and I made the same remark again that I made the other night and he said that I don't be recognized by the Chair. I just wanted to make sure that I was recognized.

MR. CHERNIACK: Mr. Chairman, on that point of order, I want to recall to you that the Member for St. Boniface, on one occasion, left the Chamber because of actions from the Member for Minnedosa. Mr. Chairman, I want to come back to what the Minister of Education had to say about that local levy which he now admits, and I don't believe he admitted it before, that that ½ percent of the Foundation levy is a local levy, is not provincial revenue. Now, he leans back as is the wont of members of the Treasury Bench to talk about the New Democratic government's procedures, practices and policies. If he would be prepared to accept them, well and good; if he wants to justify everything on the basis of what we did, then he has a great deal to learn about what we did and what he should be envious of and duplicating.

But, Mr. Chairman, I wanted to get clear from him what is the correct picture, now and tomorrow, as he said, and I want to tell him that regardless of what may have been said in the past, that, if it were wrong, does not justify his continuing a wrong attribution of provincial contribution. I am glad he has now admitted that that ½ percent that the Member for Seven Oaks was referring to, is not provincial revenues. We've gotten that far — the fact that he feels justified in saying that on the basis of what may have been a calculation in the past, is not very relevant, it really is of concern as to how he presents the information.

The reason I say that, Mr. Chairman, is that I, last week, like the Member for Inkster this week, had occasion to mention to the minister that his reference to the \$16 million is a very very poor method of calculation, not valid at all, because it is not related to the realities. It is more of a conjectural — a projection, a conjectural projection is all it is and it is based on the wrong thing. It's almost the way the minister has in the past, been prone to say and said it last week, that some inherited deficit was \$213 million, when he should have known and what we had to tell him and maybe he still doesn't know, that his own Minister of Finance has substantially reduced that figure, but this minister was still using it as late as last week. So, I think that he has to be reminded that bandying figures around, is something that he ought not to be doing, that he ought to be sure to come as close to the correct figures as possible and that he has to make an effort so to do. I'm glad that this evening we have witnessed his admission that ½ percent out of the 6

percent he referred to, was money that did not come from provincial revenues, but came out of the property tax. To the same extent, he has not yet stated, but ought to state that other moneys that were referred to by the Member for Seven Oaks, were not used to assist in the Foundation Program and were therefore, not part of any increase in the Foundation Program. Maybe previous Ministers of Education included that in their figures; does that really mean that this minister is right in so doing?

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

MR. WALDING: Yes, Mr. Chairman, perhaps it would clear this matter up if the minister would give us the two figures on which the 6 percent is based, the figure for last year and the figure for this year? Could he tell us which amounts he's referring to? **MR. COSENS:** Mr. Chairman, I would refer the member to the following figures: 178.08 million in 1978-79 and for this coming year 201.3 million.

MR. WALDING: Mr. Chairman, I don't see either of those two figures in our Estimates Book or on the sheet of grants that the minister gave out to us. Would he explain where particularly the 201 came from?

MR. COSENS: Mr. Chairman, if you add together the total for the Foundation Program and the total for other grants, you will arrive at the particular government share total that I have given the Member for St. Vital. And of course, you must also add in the figure that I gave him for the private school agreements.

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

MR. WALDING: Thank you, Mr. Chairman. In that case, is the amount for private schools included in those figures for both years?

MR. COSENS: No, Mr. Chairman, in the figures that I gave the honourable member, the 178.08, and the 201.3; they were not included. I was giving him the moneys that would be paid out for the public school system.

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

MR. WALDING: Mr. Chairman, the Minister said that this amount that he has given us is the amount that's made up from the province's share of the Foundation Program last year plus the additional grants. Is that the figure?

MR. COSENS: Pardon me, Mr. Chairman, let me correct my figure for 1978. That should have been 191.8 million. I apologize, Mr. Chairman, I was reading from the wrong figure; 191.8 for 1978, 201.3 for 1979 without the private school agreement money being included.

MR. WALDING: Yes, that's the same arithmetic that I was using, Mr. Chairman, and it would seem then that that is an increase of \$9 million on \$192 million, which according to my arithmetic is a little less than 5 percent; 4.5 percent, I am corrected from the beginning, so it would appear then, Mr. Chairman, that the Minister misled the school boards when he said it was an amount of 6 percent.

But whether it was 4.5 or 6 percent, the Minister told us I believe on Friday afternoon, that he had received the School Board's budget and was therefore theoretically in a position to figure out what their increase in expenditures was, and I would like to ask him whether the school board's expenditures have also gone up by an amount of 4.5 percent or 6 percent, whichever the case may be? I would suspect, Mr. Chairman, that it has increased by considerably more than that. In fact, I would like to ask some of the members who come from the rural areas, like the Member for Rock Lake, as to what has happened to school taxes this year and what happened to them last year, whether they have gone up by 4.5 percent or 6 percent. Or the Member for Gladstone who, in his Throne Speech Debate this year made some reference to education taxes on farmland, I believe. I would like to ask them to comment on what has been the effect of the provincial government restricting or restraining its grants to the local school divisions, what has been the effect on the taxpayers there, and on the farmers, as far as its local levies or special levies are concerned in having to make up for those additional and escalating costs at the local level. Now whether the Minister wants to answer or the Member for Gladstone, and I see he's just returned

to his seat, I would invite them to comment on this matter of financing education as it affects the local taxpayers.

MR. COSENS: Mr. Chairman, I can inform the Member for St. Vital that average increase in school board costs this year is 7.4 percent.

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

MR. WALDING: Yes, Mr. Chairman, I had hoped to induce some of the rural members to speak from their practical experience. I know that in the city, the amount on school taxes has gone up by varying amounts. Mr. Chairman, the Member for Minnedosa is clucking again from his seat and I am unable to hear what he is saying; I would invite him to stand up and speak into the microphone when I am finished so that I will be able to hear clearly what it is that he has to say.

I had a couple of other questions on other matters. One of them had to do with the Frontier School Division. I'd like to ask the Minister what the grants to the Frontier School Division are for this year?

MR. COSENS: Mr. Chairman, the Frontier Special Grant this year is \$5.4 million.

MR. WALDING: Mr. Chairman, I had a figure in my notes somewhere for the amount for last year which indicates that 1978-79 year, the amount was \$5.9 million, \$5.999 million, in fact, almost \$6 million. I wonder if the Minister can confirm that, in which case it would show an absolute decrease in this amount of something like a little over half a million dollars.

MR. COSENS: Well, Mr. Chairman, I don't have last year's figure in front of me for Frontier. I can get that particular figure, but that division, like any other, has benefited this year from increased pupil grants. We have increased each pupil grant by some \$47, the increase in equalization grants, the increase in transportation grants. So if the actual figure is less and I have last year's figure here, the particular total, the special grant in 1978 — the Honourable Member for St. Vital is quite correct — was \$5.9 million. It is, as I have mentioned, \$5.49 this year. This could only represent a decline in population.

MR. CHAIRMAN: The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I have been asking the Honourable Minister about that half percent and looking at the 6 percent, but then the Member for St. Vital said, could he clarify by giving us the two comparable figures? And I wrote down \$191.8 million for last year and \$201.3 million for this year. Now is that correct? I wonder if the Minister could indicate if that's correct, \$191.8 million for last year, \$201.3 million for this year? Well, Mr. Chairman, he's nodding his head. The difference comes to \$9.5 million. Now I have to rely on his teaching me some arithmetic because I took \$9.5 over \$192, and I got just under 5 percent which is substantially less than 6 percent. Now, does that not in some way shake the Minister's statement that it is and will be 6 percent, when the comparable figures give us fractionally under 5 percent?

MR. COSENS: Mr. Chairman, let me clarify by saying the Member for St. Johns is quite correct, but he is not adding in the other moneys that also go to school divisions in this province for private school agreements under the shared services agreements.

MR. CHERNIACK: Mr. Chairman, then it appears that he's talking about the shared cost services which is not the public school program, or is the Minister alleging that it is the public school program given to the public schools to conduct their responsibilities of the education of the children? It seems to me that it is not. It seems to me that this is a program which the Minister will say was started by the previous government, extended by his government, regardless of that. This now apparently, is moneys, the private school moneys, are moneys that are given to assist in the education of children who are not part of the public school system, and that therefore, I don't think that that validly belongs as a standpoint of comparison. When one talks to the public schools, to say to them that you're getting 6 percent including costs increases for the private schools is of no help whatsoever to the school trustees who have the responsibility of making up the difference between what they feel they need and what they get from the government. And therefore, it seems to me that we are back to fractionally to under 5 percent rather than 6 percent.

The government has every right to say our costs have gone up to a certain extent because we have recognized, broadened the coverage to children who are not part of the public school

system. That's fair game, but the government has no right to say to the school trustees of Manitoba, the increase that you're getting is 6 percent. Now, it seems to me the increase is really fractionally under 5 percent, very fractionally, let's call it 5 percent; that includes that half percentage that the Minister has already agreed comes out of local levy. So it sounds to me like the Member for Seven Oaks is back to the 4.5 percent he was referring to earlier, and I think he is right. And I just have grave doubts that the Minister can support his statement about 6 percent based on history, you know, it just doesn't help. This is today, and he's got to give figures that apply to today, and the figures he gave the Member for St. Vital were helpful to me because I must admit that momentarily I was inclined to feel that there was something wrong with the figures given by the Member for Seven Oaks but I think the Minister has just supported them. I wonder if he has any comment on that.

MR. COSENS: Well, Mr. Chairman, it's quite correct that you can interpret these figures in the way that the Member for St. Johns has is interpreting them, and of course, they could have been interpreted like that every year back through history I suppose, but in fact I am following the same pattern as has been followed for quite a number of years, and have included those moneys that are going out to school boards each year and looking at the particular increase, and that increase, if we total it out, does amount to some 6 percent. He's quite correct in saying that it includes the Foundation Levy. It has always included the Foundation Levy and if he wants to whittle down the percentage by saying, aw, but that's Foundation Levy and you're counting it, that's quite right, and it always has been counted. —(Interjection)— I just said it.

MR. CHAIRMAN: (a)—pass — the Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, I asked the Minister, with regard to that Winnipeg Special, last year's \$1,200,000 and the 20 percent drop this year, or \$200,000 drop this year. I wonder if the Minister could explain that.

MR. COSENS: Mr. Chairman, the \$200,000 in question was in support of a couple of pilot programs that Winnipeg had been conducting and they were completed last year and hence the \$200,000 drop.

MR. MILLER: Could the Minister refresh my memory and tell me the nature of the pilot programs?

MR. COSENS: Mr. Chairman, I believe the programs were called "SUN" and "CAP". —(Interjection)—

MR. MILLER: Well, Mr. Chairman, the initials themselves are not descriptive enough. Does the Minister know what the initials stand for?

MR. COSENS: The SUN Program, Mr. Chairman, was called Schools for Urban Neighbourhoods, I believe, some type of pilot program for community school education. The CAP program I would have to check that one out and refresh my mind as to the nature of that program. I was familiar with it a year ago, not having worked with it since that time, I have lost that familiarity.

MR. MILLER: Could the Minister inform us whether the decision to end these programs, even though they were pilot in the first instance, whether this was with the concurrence, voluntary concurrence of the City of Winnipeg School Board or whether this was something that the province unilaterally decided that the pilot having come to an end that they would discontinue it. In other words, could the Minister advise us whether the decision to eliminate it was after due discussion and agreement with the City of Winnipeg that these two programs need not be continued or expanded?

MR. COSENS: Mr. Chairman, my recollection is that it was a provincial decision to discontinue funding those two pilot programs.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I'd like to go back to the statement that the Minister made a few minutes ago, that the local school board expenditures were up by something like 7.5 percent for this year. I wondered if he could confirm the figures that the Manitoba Association of School Trustees uses for total expenditures for 1978 of \$406.7 million, with an estimated \$441 million

for this year, which according to my quick arithmetic represents an increase of about 11.5 percent.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, the expenditures in 1978 were some \$407.6 million; for 1979, the Estimate, \$440.7 million.

MR. WALDING: Thank you, Mr. Chairman. The Minister has almost concurred with the figures that I gave, less than \$1 million difference in each case, which would not affect the percentage increase by very much. Can he confirm that that would indicate about a \$34 million increase on \$407 million, which would be something in excess of 11.5 percent?

MR. COSENS: Mr. Chairman, we're talking about gross expenditure there. If we talk about the net expenditures we are comparing \$405.5 million and \$435.6 million. And there, of course, when I talk about net expenditures, I am not counting the tuition fees from Indian bands, or the private school agreements.

MR. WALDING: I was talking about the equivalent amount in both years, the Minister has confirmed the figures, \$407 million to \$440 million, \$441 million, which is over 10 percent, perhaps 11 percent. How does he reconcile this 11 percent increase with the 7.5 that he gave us earlier?

MR. COSENS: It'll take me a minute to just work out those figures, Mr. Chairman. Perhaps the Member would like to pursue his line of questioning.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, one more question that the Minister may or may not have an immediate answer to. Recoverable from Canada shown this year, \$11,557,000 — could the Minister inform us where that money comes from? It says Recoverable from Canada — for what purpose? Is it CAP money, is it Native — the Indian paid because of the number of Native students in the schools? It's a rise, I believe, slightly less than last year; and I'm just wondering, (a) the sources of funds, and why the drop?

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: The Recoveries from Canada for 1979-80, the tuition fees for Indian children, \$8.7 million; the Bilingualism Agreement, \$2.4 million; native paraprofessionals, \$302,000; and Sundry, \$50,000; for the total of \$11.5 million that the member refers to.

As to why this figure is particularly less, other than the fact that we could be looking at certainly a smaller number of Indian children, that would account for part of the drop. The bilingualism amount certainly does not represent a drop. Again, we would see a drop in the native paraprofessional area because of the fact, as I mentioned earlier, that a number of bands have opted out of the Master Tuition Agreement.

MR. MILLER: Does the Minister know offhand, or perhaps the staff could tell him, what is the amount paid per pupil by Indian Affairs on behalf of the Native children, and what does the Agreement call for now?

MR. COSENS: Mr. Chairman, of course, in this case we're paying total school individual pupil costs for the particular division that they are attending, and this can vary from division to division. But we receive from Canada the total pupil cost in that division — the gross cost. We, in turn, pay to the division the provincial grants that they would receive for any other pupil. That again is for the students who are under the Master Agreement.

MR. MILLER: Is the Minister saying that Ottawa will pay the actual cost per educating a Native child, or .

MR. COSENS: As I said, Mr. Chairman, the actual cost for the particular division they are attending.

MR. MILLER: And is the money then forwarded on to the school division on the basis of the actual

cost to that school division, or simply the dollars, through the calculation of the Foundation Program?

MR. COSENS: Well, the money is paid out in two ways, of course, Mr. Chairman. First of all, in the Grant Program, as it is paid to any other school division in the province; and then the balance between what is paid by provincial grants and what the gross costs are, is also paid.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, in going through some of my files, I note that about six years ago, during the 1973 election campaign, the Member for Rock Lake, in running for re-election, had committed himself to lowering our taxes. And, in fact, he said that he was going to make sure that local governments can hold the mill rate where it now is — this is as of six years ago — and then he said, "We can do all this and still maintain, in fact, increase essential services." And I would presume that, in talking about essential services, that he would include education as an essential service — health, education should be one of the essential services. So, my question to the Minister is that in view of the member's commitment, that is the Member for Rock Lake and his commitment to lowering the taxes, or holding the line, and at the same time maintaining the quality of service; I'm just wondering whether the Minister had received a proposal from the Member for Rock Lake of a plan, or a model, that he could apply to do what he had committed himself to do. The member had six years to develop this plan; one would think that by now the Minister should have something in his hands that he would be able to implement. But yet, as we had noted earlier this evening, that with the modest increase in dollars, but in terms of purchasing power, it's a decrease in the level of provincial support to the school division; but the school divisions had to increase their mill rate by much much more in order to make up the difference which the province did not provide them. So, we would be very interested in hearing the plan that the Member for Rock Lake may have presented to the Minister to do what he had committed himself to do for the benefit of the taxpayers of Manitoba.

MR. CHAIRMAN: (a)—pass — the Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Mr. Chairman, I understood the Member for Burrows spoke in the Agricultural Estimates when I wasn't present, and now I see where he's taking it upon himself to make some comments which are directed to myself, I think more for the purpose of getting me on my feet to probably prolong the debate here, prolong the debate. Mr. Chairman, I'm not going to prolog it all that long because I don't have to come to the defence of this Minister. He's very capable of handling these problems that he has to deal with the opposition in a very capable way.

But all I want to say, Mr. Chairman, to the Member for Burrows, when he's talking back about the things that I felt were important back in the 1973 election campaign, what he fails to take into account is that we've had a tremendous inflation since 1973. And the thoughts that were exposed by myself at that time were entirely different to what they are today. And you know, Mr. Chairman, I wish the Member for Burrows had taken heed, because he was a Minister of the Crown, of some of the things I said. And probably, maybe, he'd still be on this side of the House, if he'd taken some heed and carried out some of those thoughts that I had presented to my constituents. I wanted to remind him that those were things that I've said that brought me back into this House, while I felt it was unfortunate that we didn't have sufficient numbers to get back to government.

And I think that if we had got back into government in 1973 instead of 1977, the Province of Manitoba would have been much better for it, in all respects, and all through the Department of Education. And I want to say to the honourable gentlemen opposite just one thing: That the policies they brought in under the Property Tax Credit Plan, and the Income Tax Plan, there are a number of people in every town in Manitoba, in the City of Winnipeg, in all cities, that aren't paying one red cent towards taxes. Not only are they not paying education tax, they're not paying property tax. And I just want to let my honourable gentlemen know, because of their legislation it's caused a problem for us to try to correct some of the wrongs that they have done. So, Mr. Chairman, with those few comments, that's all I need to say to the Member for Burrows, because to carry it on any further it isn't even worth it.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I wonder if the Member for Rock Lake would like to assure the House that he is no longer interested in seeing local mill rates reduced?

MR. COSENS: Mr. Chairman, I've had a chance to check my percentages here, and on the basis of the net expenditures for 1978 and 1979, a difference of some \$30.1 million, I believe, in increase; if we take that over the sum of money that was the net expenditure in 1978, we do find, in fact, a 7.4 percent increase.

MR. WALDING: Thank you, Mr. Chairman. The Minister talks about a net amount this year, and a net amount that year, without telling us what they were. But my concern here was the actual expenditures that were being made by the school boards, and school division. And it would seem from the figures that the Manitoba Association of School Trustees have given us — and after all, they should be in a position to know what they are — they are, in fact, facing an increase of about 11.5 percent this year. Offsetting that would be an increase from the province of something a little less than 5 percent.

Now, I would ask the Member for Rock Lake, who's going to pay the difference? Where are the school boards going to get their additional revenue from to make up for their added costs? And I might direct to the Minister the observation that it seems to be the smaller, poorer, if I can put it that way, mostly rural divisions that are suffering mostly from a drop in enrolment. They have to make up their shortfall in revenue very much by an extra levy on their property.

By using the term "poorer", what I meant was, a levy of one mill in those areas would raise little money compared with a richer school division; that it is these particular school divisions that are facing a double-edged sword, if you like, of a decreasing enrolment on the one hand, which is decreasing their pupil grants, and various other grants that are being paid on a per student basis; yet on the other hand, they are forced to try to make up for that lack of revenue by levying additional rates on a very small assessment base. Perhaps the Minister would like to comment on this particular problem facing those boards and tell the committee whether he is satisfied with the situation at the moment or whether he has any plans to improve it.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, one of the steps that we have taken to try to alleviate part of that problem is of course through the equalization grant, which in fact does recognize that difference in assessment base and does provide more moneys to those divisions that are not as fortunate in their total assessment as others, and I might also say, of course, that we definitely would like to improve the amount of money that we can provide to school divisions through the province. And as I mentioned earlier in my Estimates, it would be our hope that as the economy of the province improves, and there is every indication that it is beginning to do just that, that we will have more provincial revenues available and in fact will be able to provide those moneys to the school divisions that will in turn enable them to finance their expenditures without going to their local taxpayer for as great a local levy.

MR. CHAIRMAN: Pass. The Honourable Member for St. Vital.

MR. WALDING: Yes, thank you, Mr. Chairman. I realized what the Minister had done in increasing his declining enrolment grants, and I see that as a way of tackling a problem. —(Interjection)— Yes. The Minister has also increased his declining enrolment grant, I understand. Is the Minister satisfied that this is an adequate way of tackling the problem?

MR. COSENS: Mr. Chairman, I suppose there is no perfect system of equalizing the burden of support for taxpayers throughout the province. We have taken a careful look at the particular systems used in other jurisdictions, other provinces, the states of our neighbour to the south. We have given them careful consideration. We feel that in part the equalization grant and other grants that attempt to take into consideration extra costs where there are not resources to in fact support those costs, does in part solve that problem. But the level of support, Mr. Chairman, of course, is what really matters here. And the Member for St. Vital said "Would you like to see that increased?" Certainly I would like to see it increased. Certainly our government would like to be in a position to be able to increase it. But as I mentioned before, we will move to that 80 percent when the provincial economic situation is such that provincial revenues enable us to do that. We could quite simply solve the problem, Mr. Chairman, by going out and borrowing the money and increasing the debt load of the province. That is not a solution that the people of this province have taken to too fondly, and they said this quite plainly in 1977. It is not a solution that we're prepared to take at this time.

MR. WALDING: I'm going to ignore that last red herring, Mr. Chairman and move on to ask the Minister if he would explain to me the Greater Winnipeg equalization and inform the committee whether he is satisfied with that particular arrangement.

MR. COSENS: Mr. Chairman, this is again a system that has been with us for a few years. It was an attempt apparently to equalize out the burden as borne by the urban school divisions at the time, or shortly after the amalgamation of the different municipalities into the one Metro area, and of course I don't have to tell the Member for St. Vital that the bulk of the commercial development, the industrial development of the city, rests in the central part, within Winnipeg No. 1. Hence it would appear the bulk of the higher assessed property and the decision was made that in order to equalize that particular imbalance that would exist then within Metro, that a special levy was necessary, and of course out of that came forth the Winnipeg Equalization Levy that made some attempt to do just what it says, to equalize the burden throughout the Metro divisions, based on that extra assessment that exists in the central part of the city.

MR. WALDING: I thank the Minister for answering the first question. I would now like to ask him if he is satisfied that money flows from Winnipeg school division and I believe Fort Garry school division to most of the other school divisions in the area. That there are many poor people, particularly in the core area, who are seeing their tax dollars go to areas such as Tuxedo and River Heights — no, not River Heights — other areas relatively affluent areas outside of the city of Winnipeg to provide education services for residents in those areas. Especially when Winnipeg, given its peculiar problems, has a number of educational problems needing educational programs simply not faced by other divisions, simply as an example, English as a second language. I understand that Winnipeg School Division is the only division in the Greater Winnipeg area which provides these services, and other school divisions wishing to take advantage of them send their children to the city for these services, paying an amount less than the actual cost of providing those services.

Now is the Minister satisfied with this system, or is he prepared to move to rectify it?

MR. COSENS: Mr. Chairman, I don't think that we have any system that's perfect, and certainly there are things that are wrong. They're inequities, I suppose, in the equalization grant, the Greater Winnipeg equalization levy, without doubt, but in looking at possible alternatives, Mr. Chairman, I have not been able to come up with an alternative to this point, to replace it. If any honourable gentleman on the other side, the Member for Seven Oaks is shaking his head. He knows the problems involved here. He may even have been around at the time of the inception of this particular levy. But regardless of that, I'm sure he appreciates the problems in trying to equalize the burden of the taxation in this regard. I say to the Member for St. Vital, if he has another system that he can suggest, within the parameters of the funding that's available, within the parameters of the particular assessment picture that we have in these areas, then I would be quite prepared to consider it if he has a particular alternative that we could study and perhaps consider implementing.

MR. WALDING: I'd like to ask the Minister if he has given any consideration at all to a province-wide form of equalization, whereby one mill of assessment in any division would be guaranteed by the province to raise the same amount of dollars, no matter where it was, to take care of this problem of those smaller, poorer divisions that have great difficulty in raising any number of dollars on a special levy.

MR. COSENS: Of course, Mr. Chairman, the foundation levy, really embodies that particular principle. The only down side, if you wish to call it that, on a particular program is that it requires a huge input of provincial funds if in fact we are to reach a complete equalization across the province, and that huge input of provincial funds is not available at this time, Mr. Chairman, without us considering the alternatives of borrowing money, and that is not an alternative that we feel that we should make, nor do we feel the people of this province wish to consider.

MR. CHAIRMAN: The Honourable Member for Transcona.

MR. PARASIUK: Mr. Chairperson, I would like to ask the Minister some questions about the pupil-teacher ratio. He mentioned a figure, I think yesterday — sorry, on Friday. I think he used an average of 16.9, is that correct? I'm wondering if he has any breakout of that on a rural basis, on a northern basis and on an urban Winnipeg basis. I would think that those figures might vary on that basis. I would think that maybe the pupil-teacher ratio might be low for rural Manitoba. I don't know what it is for northern Manitoba, but I think it might be quite high, especially for the suburban school divisions in the city of Winnipeg. In fact I think that school divisions like St. James

and River East probably have a very high pupil-teacher ratio. So as a first question, I'd like the Minister to give me that breakout on a regional basis.

Secondly, I'd like to ask the Minister where it might be appropriate to ask questions about the community schools program. He had indicated or asked us to indicate to him if there have been cutbacks in programs, where in fact the quality of education has suffered because of budget constraints, and I think the Community Schools Program is one possible area, and I'm wondering if it should be discussed under this particular item, or whether there's some other item in the Estimates where that might be better discussed.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, the Member for Transcona asked two questions. First of all, he is interested in the pupil-teacher ratio, and I stated some days ago that it is on the raw figures, and of course, Mr. Chairman, I recognize that they do not represent every particular situation. I said that the figure for the province this year was 16.9. It is. And that happens to be the lowest it has been for a very great number of years. I agree with the Member for Transcona that that is going to be different in different school divisions. It's going to be different in different schools of the system. That's a fact of life. But in relation to the number of pupils and the total number of teachers in the system, the ratio today, this year, is lower than it ever has been at 16.9.

Now he can point to, I'm sure, classes where that ratio is much larger than that because of particular school organization or particular administrative and teaching style in that school, but I say to him that that 16.9 is an overall provincial figure. I don't have the figures with me. I can get them for the member if he's interested in what they happen to be in different divisions. Pardon me, I can give him those at this time.

The pupil-teacher ratio for Winnipeg No. 1, fall term '79 budget figures 14.9; St. James-Assiniboia 17.9. I believe the member wants these figures. The Assiniboine south 16.7; St. Boniface 17.6; Fort Garry 16.6; St. Vital 17.9; Norwood 14.2; River East 17.8; Seven Oaks 17.9; Transcona-Springfield 18.6; Seine River 6.4.

MR. CHAIRMAN: (a)—pass. The Honourable Member for Transcona.

MR. PARASIUK: Yes, I thank the Minister for those figures. I need a bit of clarification on them. I just want to get an idea of how pupil-teacher ratio is defined. Is that the number of students in an average classroom per certified teacher? Or is it the number of pupils in a classroom per the number of, in a sense, employees in the school at that time, taking into account secretaries to the principal, teachers aides, counsellors, everyone else, para-professionals, how is this pupil-teacher ratio arrived at? And that frankly those numbers are somewhat different than the numbers that MTS people give us when they are talking about pupil-teacher ratio and possibly that arises because they are talking about pupil-teacher ratio in a sense that I think that probably has a bit more validity and that is taking the number of students per number of certified teachers in the school. And I just want a clarification from the Minister as to what he means by that definition.

MR. COSENS: This figures, Mr. Chairman, are based on employed teachers in the school division and total number of pupils in the school division.

MR. PARASIUK: I would ask the Minister, going back to my second question, if it would be best to discuss the Community Schools Program in Winnipeg School Division No. 1 — the province was providing funding for it last year — where it might be best or appropriate to discuss that item in the Estimates of this year?

MR. COSENS: The evening school program, Mr. Chairman, is under other grants in this particular section.

MR. PARASIUK: Thank you, Mr. Chairman. What I was referring to was the program of funding to the Winnipeg School Division No. 1, whereby special funds were provided to get the parents involved in schools like David Livingstone and William Whyte, Argyle, schools primarily in the inner core where there was a high truancy problem, where there were problems of drop out with students where the parents weren't involving themselves possibly sufficiently with the school, with the children, and there was a special program in place last year and I gather that that program has been cut out this year. I can't recall my exact figures, I think the funding was something in the order of \$200,000 last year. That was the program. I gather it has been terminated this year, that Winnipeg

School Division No. 1 has been informed that that program has been terminated and that Winnipeg School Division No. 1 is now presently applying to the, I think, the United Way for funding.

I think that Shaughnessy Community School is another one where this program was operational and I am wondering if the Minister can describe what that program was specifically last why funding has been cut out this year, and what he thinks the year's implications will be for the inner core? Because that strikes me as being one specific area of cutback in an area where I think prevention is very important. I'm wondering if the Minister would comment on that?

MR. COSENS: Mr. Chairman, we provide a special grant of \$1 million for special core programs. The Winnipeg School Division uses these as they see fit.

MR. PARASIUK: I am told, Mr. Chairman, that the amount was \$1.2 million last year. Perhaps this year it's \$1 million and that accounts for the \$200,000 reduction, which would account for the reduction in the Community Schools Program. Is that correct? Is that what accounts for the reduction?

MR. COSENS: Mr. Chairman, there were pilot programs to the amount of \$200,000 that were completed last year and of course that funding is not present this year for those programs.

MR. PARASIUK: Mr. Chairperson, I would like to ask the Minister if there was an evaluation done of those pilot projects? If in fact that evaluation entailed community consultation, and if so, who was consulted from the community? My understanding of those programs is that they are working, that they are getting off the ground, and local people are getting involved in the education process. If in fact, we are going to talk about the problems of the inner core, especially the problems of youth and we've had a City of Winnipeg report talking about youth needs, stressing the need for things like 24 drop-in centres, raising a whole set of suggestions and recommendations to the City Council as to how youth problems, special youth problems in the inner core might be dealt with. And it seems to me ridiculous, Mr. Chairperson, that when that is taking place, with the City taking that type of look at youth needs, that on the other hand, provincially we'll be cutting back funding for something as important as the Community Schools Program in the inner core. Surely if we are going to be establishing different priorities, this is one of the areas where we shouldn't be cutting back. And again, I ask the Minister, was there an evaluation done; who did the evaluation; who was consulted in the evaluative process, or have these programs just been cut back by administrative fief or because the Minister doesn't like them? Can he give the rationale for the cutback in the Community Schools Program in the inner core?

MR. COSENS: Mr. Chairman, I would suggest to the Member for Transcona that to get certain programs started in a particular area, it is quite likely that some seed money is required, some money to encourage organization and perhaps some people to initiate the program, to get it started, and that I understand is what was done. Once these programs are started, once they are in place I would suggest to the Member for Transcona that further large infusions of money should not be necessary. There should be a point at which they are capable of carrying themselves.

MR. PARASIUK: Mr. Chairperson, the Minister's logic breaks down on that one. He says that you need the initial start-up for something like a Community Schools Program and I can appreciate that you need that startup in fact the need exists. If it exists then who does ' if expect to pick up the costs of that continuing need? Does he expect the private sector to pick it up through charitable donations? Is that in fact how the peculiar special needs of children in the inner core are going to be met? I have yet to hear the Minister say that parent participation in the educational process in the inner core is a bad thing. I would think that he would say that it is a good thing that given the fact that the sense of neighbourhood, the sense of community isn't that strong in the inner core; given the fact that you have big problems of family breakdown; problems of truancy; problems of drop out in the schools, that some programs which would in fact start changing that around would be good in themselves and also cost effective over the long run. Now if they are cost effective over the long run, and surely I would have thought that the department would have done a bit of evaluation to see whether in fact there is any cost effectiveness before it cut out these programs. I've yet to hear from the Minister whether there was any evaluation? And I've yet to hear from the Minister whether he thinks it's the duty of the United Way to be providing funding for these types of programs or whether in fact he thinks it's the duty or the responsibility of the Department of Education to show leadership in this respect? Otherwise if we take the Minister's logic further, any time some special needs are defined the School Boards I presume should go cap in hand to various charitable organizations saying, look the Department of Education really

doesn't care about this, we really have to rely on you. Now what is a fairer system of doing it? Doing it through the overall co-ordinated aegis of the Department of Education or through the United Way?

MR. COSENS: Well, I repeat to the Member for Transcona, Mr. Chairman, that we are providing \$1 million for particular programs in that section of the city as well as additional moneys for other programs that are taking place there. The \$1 million is a particular grant, there are other grants as well.

As far as the Community Schools Program are concerned in those areas, I suggest to him again, that they were pilot programs to get them started. I would hope that having started that part of the program would be to develop some initiative, some leadership skills in the people involved so that the programs would be self-sustained and that they would continue with local initiative. If the member is suggesting to me that they would require ongoing support for ever and ever, then I would say that the program is not being successful, that surely one of the main goals and aims of the program should be to help people to become independent of government and be able to continue functioning on their own.

MR. CHAIRMAN, Mr. George Minaker (St. James): The Honourable Member for Transcona.

MR. PARASIUK: Surely there is a transitional period at least involved and through that transitional period or at the end of it there would be an evaluative process. Apparently there hasn't been one and apparently there has been a reduction, a definite reduction in the provision of services here. I was just meeting the Minister's challenge of Friday where he asked us to point out some specifics and I think that he's just admitted that there has been a reduction in this particular area and I guess those people will now have to rely on the good graces of the United Way to continue a program that everyone in the community says is needed, that community educators in the community say is needed, that parents say is needed, and again here is another area where the Department of Education is really pulling back. I would think that the costs to society over the longer run of this cutback and pull back will be far greater than the \$200,000 saved this year.

And the Minister always says that we're too poor to afford that type of social investment really because of the budgetary constraints. For programs like this, what you need I think is a fine type of refinement and what I think we are seeing, Mr. Chairperson, is that those programs that are being cutback are those programs which are being geared and which have been geared to those people who really aren't in a good position to fight back. And the Community Schools Program is a particular case in point.

I would like to move on to another area and I assume that it's covered here and that is transportation to school districts. Is that correct? Is that covered in this item? Last year the Minister may recall that I raised the whole problem of decreasing enrolments in certain parts of the city, in certain parts of the school district, especially urban ones, and increasing enrolment in other areas of the school district. I pointed out that we have a school in Transcona called Bernie Wolfe School which really was overbuilt. It was built in a new subdivision and it's really being under—(Interjection)— Pardon? utilized

MR. COSENS: That's an understatement.

MR. PARASIUK: Yes, that's right. It is being underutilized. I frankly think, and I've said this and I repeat it, I frankly think that the policy with respect to transportation grants for urban school districts should be reconsidered. I gather there are transportation grants for rural school districts but that there aren't provincial transportation grants to urban school districts. And if that's the case, then I think what we are doing is building in inefficiencies in the way in which the urban school districts may operate.

I think there will be a tendency on the part of urban school districts to follow the path of least resistance when it comes to projects which are funded or where funds are provided from the provincial government and they will then tend to build schools in newly developing school districts as opposed to holding back, waiting to see whether in fact that residential subdivision really takes off as the private developers hope it might before they make that investment in the school.

It's not just an unusual situation in Transcona with respect to Bernie Wolfe School, it certainly exists in other areas. And that is with respect to the new subdivision schools. At the same time in older areas of a community given the population change, given the demography of our population, there are schools that are being underutilized now. You have it in the old part of the City of Winnipeg

but even in the suburban school districts, you will have schools in older areas of a suburban school district — an area that may be 20 or 30, 35 years old — where the school really isn't full up to capacity. And yet, you've got a good capital facility that is being under-utilized.

Now, why not take advantage of that cost, which is a sum cost already, by sitting down with the school divisions and not necessarily giving a carte blanche transportation grant, but seeing whether, in fact, this situation does indeed prevail in Winnipeg School Division No. 1, Transcona-Springfield School Division, River East. And if it does, say, "Okay, this is a problem. Do you think that a more flexible approach with respect to transportation grants may, in fact, provide some type of solution, say for an interim 3 to 5 year period, until such time as a new subdivision is established or not." Or, it might even continue a bit further. If you have a facility, an already constructed facility, which could be utilized.

I raised this last year, and the Minister, I think, took it under advisement last year. I'm wondering if he's had a chance to explore the problem further this year, and I'm wondering what he has to report on it, since when we met with the Manitoba Association of School Trustees, this was a matter that they have been looking at, and a matter that they indeed are ready, and I think willing, to sit down with the province and discuss. I know it's in their brief; when I asked them specific questions of detail, they said that they were experiencing that type of problem, that within an urban school district, there were areas of under-enrolment, and then there were areas of supposed extra-enrolment which might necessitate building a new capital facility. Having given the Minister notice of this whole thing last year, I am wondering if he's in a position to report on it this year?

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, I recall our conversation in this regard last year, and of course, in essence, I am in agreement with the Member for Transcona. I think that looking at the matter, in strictly a logistic sense of moving so many people from an area where the buildings are under-utilized, or where the buildings have deteriorated, to one where there is available space, makes sense. And, of course, if transportation grants would solve that, it should be something that should be considered.

The problem that school boards have run into, Mr. Chairman, where they have attempted that particular solution, is that the parents of the children involved are not very happy with that solution, and I would refer the Member for Transcona to his colleague, the Member for Elmwood, who earlier this evening outlined a particular case to us where children from George V were being transported to Sir Sam Steele, and I believe to Kent Road, where space was available. But parents wanted their children in their own particular school.

So the matter is not simply one of money. It is not one that can be solved by merely throwing dollars at a problem. It is also a matter where attitudes, I suppose, of those people who are paying the taxes will have to adjust, if in fact that particular situation is to come about. Because there is a certain built-in reticence on the part of parents to see their children bussed out of their local neighbourhood, where they, in fact, themselves may have attended school. And it is with some interest that I have viewed the experiment carried on in the Calgary schools this year, where the Calgary school board suggested they would close some 31 schools and bus children out to where they had vacant space. And that has caused a tremendous furor, and I see that the provincial government has become involved, and in fact the particular solution that was suggested, I will suggest will not come about, because of the very problem of parents not wishing to see that solution taken. Even though they realize that it is going to cost more money; that it is resulting in under-utilization of school space; and in fact trustees find it a difficult decision to make, and a difficult decision to live with in their own particular neighbourhoods.

I have to agree with the Member for Transcona, that certainly, when you look at the figures, and look at the problem, this would seem to be the obvious solution. But when we talk about the solution, we ignore people, and the people are the parents of the children involved, who are not prepared to see that solution taken, in many cases. We, in all likelihood, Mr. Chairman, as we progress through the years ahead, will find ourselves forced into the position of taking that particular solution, because as the school populations decline, and decline rapidly in some areas, it will no longer be feasible to operate certain school buildings, and students will have to be transported. But I suggest to the Member for Transcona, it will not be a popular action, and it will certainly be accompanied by a great deal of furor, and we will have a great number of parents disturbed with that particular solution.

MR. CHAIRMAN: 3.(a)—pass — the Honourable Member for Transcona.

MR. PARASIUK: Thank you, Mr. Chairperson. The Minister said that you can't throw money and

solve the problem, and I quite agree, and I think one of the things that's happened is that there might have been too great a tendency, and from the Minister's comments that tendency may still exist, to really be too acquiescent with the construction of the capital facility. And that, in a sense, comes from the province. I understand that 100 percent of the capital facility is financed by the province, or, 100 percent of approved capital — the capital expenditure that's approved by the Public School's Finance Board. So, in that sense, I can appreciate the unpopularity of some of the actions that may have to be taken.

But from an overall provincial perspective, if the Minister is saying that "Times are tough, that we have to prioritize our expenditures, that we have to, in fact, get the best value for our expenditures." I ask him to, again, take another look at the possibility of holding back a bit on the capital expenditure side, and at least open up the possibility of the province providing funding to urban and suburban school districts for transportation purposes. Because right now — and it may be a precedent that some people may not want to get into, but I think it's very important that that be done. Because frankly, I think that the school districts will not look at the overall problem. I think that they will look at that which they can get maximum cost-sharing from the province for, and I think that's a normal tendency on the part of a school district.

Why should they levy the extra taxes themselves, which is unpopular, when they can do something that is popular in two ways. First, it provides the school facility in closer proximity to a neighbourhood, even though the exact requirements for that school facility may be quite difficult to predict; and secondly, it doesn't cost the local taxpayer in terms of local taxes anything, as opposed to transporting people, which is unpopular, in the sense of moving some one from a facility of closer proximity, or from a prudential facility of closer proximity to that of further proximity. That is unpopular, I can appreciate that.

And secondly, of course, it's, right now, the way the present program operates, that would have to be paid for 100 percent by the urban school district. So they won't really look at it; and I think that's unfortunate. I think it's really more than unfortunate; I think what it's doing, as long as we keep preventing that option from being at least explored, it reinforces past procedures with respect to planning capital facilities, which I don't think have been good enough. So I ask the Minister to again look at that. I know that the Manitoba Association of School Trustees is interested in looking at that problem. I think it should be looked at without necessarily any commitments given at this particular stage. But I would hope that by next year, we would be a bit further along the line, in this respect, because I see the problem continuing, and I see different things happening at the suburban school district level, which are disconcerting. Some fringes of a suburban school district, and Transcona is a case, are getting an embryonic form of public bus service, and what we find in the case of South Transcona, they've got enough problems with flash flood water but their other problem has just emerged, is that the school district trying to save money, because they say that the amount of money they're getting from the province has been cutback, and in trying to save money they are going to cut out the school district's provision of school bussing from the south side to the north side of Transcona, where all the public schools are. That means the students are going to have to rely on a public bus system, which is not really geared for them, which doesn't go directly to the schools.

One of the things that's happened — I know this is the case in my particular constituency, I think it's the case in other suburban constituencies, it's not necessarily the case in Winnipeg School District No. 1 — and that's that many public schools are not built on bus routes in suburban areas. So if you want to take the public bus to get to a school, you're dropped off 5 or 6 blocks away from the school. I don't think the situation is as serious in the Winnipeg School District No. 1, but I know that's the case in suburban school districts.

My colleague, the Member for Winnipeg Centre, says that the situation is as bad in the city, so we really can't rely on the public bus system, or the public transportation system as well as we'd like to in this respect, and I know that's certainly the case in Transcona, I know it's the case in River East, and I think that that's another reason why we should look at that a lot more closely. Or at least, the Department of Education in conjunction with the Manitoba Association of School Trustees should possibly sit down with the Winnipeg Transit Authority, and see whether in fact we might get some changes in their bus routes. That might not be that easy, because maybe in the older days it was thought that it would be safer for school children if schools were built away from major thoroughfares, where you had buses and trucks; but at the same time, nowadays it's making it somewhat difficult. I certainly know that in the case of my constituency it's very bad, and the situation has really been exacerbated badly by the recent decision of the Transcona Springfield School Division to cut out the provision of school buses for South Transcona children. There is no school in South Transcona, and they are going to have to go to a number of schools on the north side. The bus system doesn't operate that well, they have a choice of trying to walk a half-mile through an industrial workshop, which has a quasi type of public thoroughfare through it, namely

the Canadian National Railways, but to do that they have to cross the Canadian National Railway main line, and I don't think those are good enough options, but again that is the effect of the cutbacks that are taking place at the provincial-municipal and school district levels.

I think that if the provincial government is going to hold back, as it feels it has to, then I think it should be far more refined in its programs, especially with respect to the Transportation Grant Program, which right now is operable for rural school divisions, but is completely, I think, inoperative for urban school districts. I think that the Minister, for some reason, is probably afraid of opening that precedent, but I think that he doesn't have to be that afraid of it if he sat down with the Manitoba Association of School Trustees, to determine whether in fact there was a problem, and establish some criteria whereby it might be possible to provide some provincial funding for transportation grants for urban school districts.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Well, Mr. Chairman, just let me say again to the Member for Transcona that we're very much aware of this particular problem, and have been looking at it. We have had some discussion with members of the Trustees Association, and this is ongoing, and I would hope that we can come to some particular solution to the problem.

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

MR. WALDING: Thank you, Mr. Chairman. I raised with the Minister last week the matter of the Public Schools Finance Board in two particular schools. The Minister wasn't familiar with the particular situation, and undertook to get some information for me. He later gave me some information on Harold Hatcher School and Murdoch MacKay School, and in answering some of those questions, the reply raises other questions.

It says that, "School boards choose school science, they engage an architect whose responsibility it is to do tests to determine the adequacy of the site for building." It further goes on to say that, "This school was approved by the Minister in '73, went to tender in '74, but trouble developed after construction, and in '76 there was additional funds approved by the board for remedial work." The question arises as to the architect and what preliminary tests that he did in the area, and to the extent that the school board was guided by this advice. Perhaps the Minister could advise the Committee who the architect was, and whether he carried out subsoil tests to test the adequacy of the site? was it 1974 records

MR. COSENS: Mr. Chairman, I can certainly go back to and find out who, in fact, was the architect employed by the school board at that time, and see if, in fact, the school board has records that would show what type of soil sampling was done.

MR. WALDING: It also raises the question, Mr. Chairman, of who the \$121,000 was paid by, and to whom, the \$121,000 being the remedial work that was necessary on the site, and to what extent was the architect responsible in that case as to having approved the site in the first place? Was it the same builder who was involved in doing the remedial work, and was there any responsibility involved in the contractor in the first place? But it also raises the larger question, perhaps, of the Public Schools Finance Board itself, and the extent of their responsibility in matters such as this, and the construction of other schools.

Since it is the Public Schools Finance Board that is the paymaster in this case, it surely has the right and the responsibility to lay down certain criteria to be met. The board should have the responsibility to insist that certain things are done, and to satisfy itself in the first place that the school is necessary; that it is properly built and properly sited; and I'd like to ask the Minister if the Public Schools Finance Board has a list of criteria that have to be met, and what the board itself does to verify the need for schools and these various other things that I have referred to, when it gets an application from a school board, or does it simply accept the application from the school board and simply rubber stamp it, and pay the money out?

MR. COSENS: Well, Mr. Chairman, I'm not a contractor or a builder, but I can assure the Member for St. Vital that the preliminary drawings, the blueprints, and so on, are checked very closely by the Public Schools Finance Board, but in fact the responsibility for arrangements with the contractor and with the architect rest with the school board.

MR. WALDING: Well, Mr. Chairman, I think the Minister is hedging to some extent. Perhaps they are the immediate level that engages the a contractor and orders the school work to be done,

possibly they are the level to which the contractor and the architect are immediately responsible, but the Minister cannot duck the responsibility of the Finance Board itself, since that is the level that pays out the money. That is where the buck finally stops, and the Minister, as the Minister reporting for the Public Schools Finance Minister, is the one to whom we look to see that that money was properly spent, and that there was demonstrated need to the Public Schools Finance Board for the expenditure of that money.

MR. COSENS: Well, Mr. Chairman, I now can appreciate the Member for St. Vital doesn't know any more about building than I do. I understand that part of the fees that are paid to an architect on a particular construction project, such as a school, are for inspection, and that moneys are paid out on the basis of those inspection certificates, so that if in fact there is some inadequacy in the structure, and so on, then the school board can come back to the responsible person as to their liability.

MR. WALDING: That raises the question, Mr. Chairman, as to what happened in this particular case? The Minister has told us that \$121,000 was spent some one or two years after the building had been built to provide remedial measures against the danger of methane gas. Now where was the architect when this was involved? Where is the responsibility of the architect for doing those subsoil tests before construction was started? I understand that it has been the practice of builders of homes, at least, to carry out subsoil tests, at least in this area, for some 15 or 20 years, and if a house builder will carry out subsoil tests before he even digs a basement to build something as small as a house, were subsoil tests done before a school was being built? The safety factor involved must be that much higher, where a public building, especially a school is concerned than it would be for something like a house. But can the Minister tell me whether subsoil tests were done or not, and if they were not, and why not? Does the Public Schools Finance Board insist that subsoil tests are done before approving of such a building?

The Minister has not answered my earlier question about what criteria the board has for approving even the need for a new school in the first place? Does it simply take the school board's word for it that a new school is needed, or if not, what steps does it take to persuade itself and to assure the taxpayers that it is a proper expenditure to build a new school?

MR. COSENS: Well, Mr. Chairman, the Member for St. Vital presents a number of questions. I can't tell him what the criteria were that were adhered to by the Public Schools Finance Board in 1973 and 1974, because I wasn't present at that time, but I can tell him that today that soil testing is done. I would suggest that probably soil testing was done back in 1974 as well, but perhaps in the situation that he outlines the type of decomposition of material that had to take place to produce, as I understand it, methane gas, was not taking place that the time the sampling took place and as a result, the decomposition that had to take place, didn't happen for a year or two later, perhaps three years later and this may explain the fact that the school board did not choose to pursue any legal responsibility as far as the builder or architect were concerned. Again, I am just talking, Mr. Chairman, on supposition; I don't know the facts of the case, it happened a number of years ago. But I say to the member that today soil samples are done, and there are criteria for the new school buildings based on present school population, projected school populations, the type of sites available; a vast number of criteria for a particular area. But what the criteria happened to be under the former administration, I have no idea. If I did know what they were, I could explain to him why we have a school such as the Member for Transcona mentions, such as Bernie Wolfe, that was built to hold — I believe it was 1,400 students and is occupied by some 400 students, what, two years or three years after it was built. I would suggest to the Member for St. Vital that the criteria that were being followed at that time weren't effective and I would also suggest to him that we will endeavour that that type of faux pas does not take place with this government.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Mr. Chairman, I do thank the Minister for that information. As he said, it is speculation on his part that the decomposition was not causing methane gas at one stage and that it was a year or two later. As he says that is speculation, and it's a possibility but I would be inclined to believe otherwise, since for one thing I believe that that landfill was completed and not used for perhaps a decade before that. Trying to remember back to my high school chemistry, I would think that the production of methane gas would begin at about the same time that the landfill is compacted, if not before that, that decomposition would start.

I'm interested to hear him say that one of the criteria involved is the present and projected

school population and I would like to inquire of him as to who provides that future projection, whether it comes about as some study done by the Department of Education, whether he relies on the local school division to give him that information or Engineered Homes or Ladco, or somebody; where does this information come from?

As another question, the Minister said that he is not aware of what criteria were used some five or six years ago when we were in government, but that there are criteria now. I would be interested to hear from him when those new criteria were developed and adopted by him, the Minister, and perhaps the Minister would be good enough to make available to the members of the committee just what those criteria are.

MR. CHAIRMAN: (a)—pass — the Honourable Minister.

MR. COSENS: Well, Mr. Chairman, in answer to the Member for St. Vital, I can tell him that those criteria came into place shortly after I took my particular responsibility in the Ministry of Education. As far as supplying him what those criteria area, they certainly are no secret, and I will be quite pleased to make them available to him. He can understand I don't carry them with me but I will endeavour to get them to him.

MR. WALDING: For clarification, Mr. Chairman, when the Minister adopted those criteria, were they presented to him as superseding previous criteria or was it presented to him as a first time document?

MR. COSENS: Mr. Chairman, I have some problem remembering exactly how they evolved. In this case, whenever you are producing criteria for a particular situation, you look at past practice, you look at the present situation, you look at what particular criteria hold in other jurisdictions, you put these together and you finally evolve what you feel is a satisfactory set of criteria for the situation at this particular time.

MR. WALDING: Thank you, Mr. Chairman. If the Minister is having some difficulty with his memory, I would like to suggest that he inquire of his staff sitting in front of him as to whether that was a new set of criteria superseding the old ones, or whether it was in fact a brand new document.

MR. CHAIRMAN: (a)—pass — the Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman, I just want one point clarified and that is the matter of pupil-teacher ratio, the figure that is used or that was used during the debate of the Minister's Estimates. Would the Minister confirm that in arriving at the pupil-teacher ratio figure, that in fact what is done is, the total enrolment of the Province of Manitoba is divided by the total number of employed teachers in the public schools of the province. So therefore, you know, that being the case, it would include principals, vice-principals, co-ordinators, supervisors, whatever else there may be in the system, people who are not actually teaching in the classroom but performing other teaching related functions. And therefore, in doing the calculation in that fashion, you would arrive at a much lower figure, a more favourable pupil-teacher ratio, than you would if you were to divide the enrolment by the number of teachers actually employed in classroom teaching, which would give you a much higher figure and that that is the reason for the discrepancy between the two. In other words, that the pupil-teacher ratio which the department uses, which the Minister uses, does not really accurately reflect the average pupil-teacher ratios that were in the classroom because it includes all the others that I have mentioned.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, the Member for Burrows is quite correct that when you are computing that figure, you are doing it on total employed teachers throughout the province which does include principals, perhaps non-teaching vice-principals in some cases, although they would represent a very small number. But when I say that the figure is 16.9 and that it's the lowest that we have had in history, computing it on that basis, it is the lowest that we have had in history and I understand that this has been the customary way for the department to arrive at that figure.

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

MR. WALDING: Mr. Chairman, I am very much intrigued by the Minister's non-answer to my last

question. I would have thought that the Minister would recall very clearly if he had been presented with a new set of criteria and had been told that there were no criteria before and that the previous government really didn't insist on these sort of things, and that they did things in a rather haphazard and wasteful and mismanagement method of proceeding, and I am sure that if that were the case that he would waste no time in jumping to his feet and embarrassing this side of the House by making such a statement. The fact that he has not done so, makes me wonder whether it was just a replacement of one set of criteria with another one, but I see he's leaning forward in his seat and maybe he's just waiting for the opportunity to stand up and embarrass us when I sit down, Mr. Chairman.

MR. COSENS: Mr. Chairman, I am not fully aware of what criteria existed before I took office. I am only aware of whatever criteria were used, certainly weren't working very well when we see a school built to hold 1,400 students, that three years later or so, is holding 400 students.

MR. WALDING: Do I take it from that, Mr. Chairman, that the Minister is now telling us that there was a set of criteria in use during the previous administration. I wasn't the Minister at that time so I really don't know. I haven't checked with my colleagues. I am asking this Minister, who is responsible for the department. Perhaps he could make those criteria available to us as well, and perhaps take the opportunity of embarrassing the previous government at the same time. I would be interested to see what the criteria were at the time of the building of that particular school that he says that is now only one-quarter full, or whatever the figures are, but does he now recall whether, when he adopted that new set of criteria, whether they were new ones or just a replacement and an updating, or perhaps an improvement, of the old criteria?

MR. COSENS: Definitely an improvement, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Winnipeg Centre.

MR. BOYCE: Well, I imagine the Minister will use the same criteria that the former administration used in this regard. I wasn't involved in that particular decision, nevertheless, the information provided by a reputable builder in the private sector was such that that growth of that subdivision would necessitate that kind of a school, and of course, the private sector's projection was wrong because that particular subdivision didn't catch on the way that they had advised the government and the staff at that time, but nevertheless, we will leave that debate for a later date.

Last year, Mr. Chairman, we were talking about equalization and the rest of it and in Winnipeg No. 1, the whole tax structure is askew, because the assessment and the rest of it is a way out of whack. We passed an interesting amendment to The Municipal Assessment Act last year, and it says that, "At least once in each five consecutive years, the assessor shall after inquiry and aided by such information as is available, make evaluation of all property in the municipality that is liable to assessment according to his best judgment, and enters the evaluation in an assessment roll to be prepared annually in a form approved by the provincial and municipal assessor. But any failure occurring before December 31st, 1983, by the assessor in making the evaluation and entries at least once in each five consecutive years, does not invalidate and shall be deemed never to have invalidated the assessment rolls of the municipality or any tax rolls based thereon."

The net effect of that as I understand it, or have been advised, that the Minister has up to 1983 to straighten up the assessment because it implies that after that it will invalidate the roll. But nevertheless, Mr. Chairman, there is no relationship at all between the value of property and the assessed value and the mill rates and all the rest of it. It used to be that there was a relationship between assessed value and market value. But this whole thing has gone askew.

But, Mr. Chairman, as I mentioned to the Minister when we commenced this debate on his Estimates, I had no intention of trying to administer the department from this side of the House, which I think is an impossibility. But in presenting the questions that we have so far on this particular item, the Minister has put forward, perhaps inadvertently, perhaps deliberately, the position of the government on a number of items. We have already seen in the Department of Health and Social Development, how the government feels relative to programs to prevent problems. We have already seen in their approach to the minimum wage, that we are going to leave it to the tips, to the gratuities of people. And what we're interested in on this side, Mr. Chairman, is not so much as whether you spend a dollar here or a dollar there, or whether it's 71.2 percent, 72.3 percent, but just exactly what this government is going to do to provide an educational system which is the responsibility of the government for Manitobans.

I pressed the Minister the last time we were on this particular item for them to come out and make a strong statement that they were committed to the maintenance of a good solid quality

system in the province of Manitoba in the public sector, because many of us are afraid that this whole attitude against the public sector has permeated those agencies which I think, and most Manitobans think, the citizens have learned to rely on the government to provide in the delivery of health systems and in educational systems.

Now, there are problems and there are problems which no one can solve — I will agree with the minister, that you can't solve problems by just throwing money out. But nevertheless, in asking the minister what he was going to do as far as declining enrolment was concerned and whether the figures that he was asking us for this year had any bearing on the actual cost of operating those schools which had a declining enrolment, he said he didn't have any — that they increased it from 500,000 to 1,000,000. In other words, they're just throwing a half-a-million dollars at this problem. They don't know what the relationship between actual cost of these schools in a declining enrolment situation are.

It was interesting — the Member for Rock Lake, when he got up and mentioned about the inflation situation and his position in the campaign of 1973 had no relationship to the situation as it exists today, and I agree with him. But nevertheless, in another area when we're talking about hydro rates, the fact that back in the '60s they had rejected an interest rate of 4.2 percent until 1981 or something and it had gone all awry — that was different, but it all depends who's making the argument. But what is the government doing to fulfill its responsibility in some of the areas that the Member for Transcona raised? The fact that the Province of Manitoba, albeit under the former administration, said there are some problems which exist in the city of Winnipeg which the province should perhaps be involved with — and I'd even go farther to say the federal government should be involved — but there were pilot projects established to see if these projects solved the problem. For one example, at Pinkham School, my figures are a couple of years out of date, but they had an enrolment of 350 and they had 385 transfers in one year. What is the minister going to do about this kind of problem? What is he going to do about the problem of truancy? What is he going to do about glue sniffing? What is he going to do about the problems which exist in an urban area, in the city of Winnipeg? He said that these people should stand on their own. Is this going to solve the problem? I suggest it is not. But the attitude of the government is coming through and we have to press at 11 o'clock at night and every committee that we're in, that the government has to come out and put its position on the table.

The Member for Seven Oaks demonstrated that the increase in the Foundation Program is not 6 percent as postulated by the minister; it is actually 4 ½ percent, because he used the minister's own figures. This is how it works out when you take out the half of 1 percent, as mentioned by the Member for St. Johns. The minister, in response to a question the other day relative to my question about transportation grants his response to the question was, it's raised from \$240 to \$255, an increase of \$15.00. Well, you can do some simple arithmetic with that figure and compared to the actual costs of gasoline, maintenance of buses and all the rest of it, and what does this do relative to the total cost of education in the province of Manitoba. The minister hasn't answered these questions. It was pointed out on another program that they have opted to cut back on. The minister says he's not cutting back on it, he has increased it 9 percent. I'm talking about the Nutrition Program — and he increases it by 9 percent and the inflation relative to the services being provided is 17 ½ percent — it is not increasing it.

We're dealing with a problem and it's a complex program, and I agree with the minister, that inflation, declining enrolments, population shifts, these are all complex problems. But nevertheless, it's incumbent upon the government to tell the people of the province of Manitoba, that the only way we can maintain the quality of service that we have had in the past is by putting the money into this system. Now, the minister may have a different approach to a community school concept, which was included in that \$200,000 grant that went to the City of Winnipeg under that 1.2 million — let the minister come out and tell us what he is going to do to solve the problem. Because once again, I agree with the minister when he says it's not just the dollars, it's the people. So, what are we doing to solve these problems? And it isn't the New Democratic Party that's standing here saying this thing, it's the Manitoba Teachers' Society, the organization that they're meeting.

Mr. Chairman, it is late and perhaps we should move on, but to say that the government has maintained a position that they've cut taxes. They haven't cut taxes, they've shifted taxes all across the board from 2 cents a gallon, which used to go on your insurance for automobiles, that's gone into general revenue. They've shifted more of the taxes to the property taxpayers — in some of the areas it varies from \$39 to a \$57 increase this year. And even the minister's colleague, the Attorney-General has pointed out under Urban Affairs, that there has to be some rationalization of this system.

The City Treasurer in the City of Winnipeg points out the problems in this particular area. Here is another press article by Rick Blanchard, who says that the property increases are from \$20 to

\$57.00: "The teachers' money n." squeeze hurts educatio I could just rattle these off, Mr. Chairman.

Here's an article that says, "Student-teacher ratio on change by Mr. Cosens, in the Free Press, March 28th. Well, he advises us it is lower tonight. Val Werier in an article in the Tribune on March 30th, "the average taxpayer may subsidize the affluent." Another article in the Tribune on March 30th: "Major clash expected on teacher layoff." That's a lulu we haven't even got into yet.

But, Mr. Chairman, the Manitoba Teachers Society put out a very interesting document and I'm sure that the minister has a copy of it, where they show the percentage of the gross national product which the government or the Province of Manitoba is putting into education, where it actually decreased in 1971-72 from 2.9 percent down to 2.3 percent. We on this side, Mr. Chairman, feel that the government is not funding education to the level that it should be to maintain the quality of service, and I, as a resident of the city of Winnipeg, was very disappointed in the approach used by the Winnipeg School Board, supported by some of the people who are members of the New Democratic party, at least they ran on the ticket of the New Democratic Party in the last school board elections. And, Mr. Chairman, with the situation as it existed in the city of Winnipeg, I would have had to have voted for a greater mill rate increase to maintain the level, because if this government doesn't do it, then somebody's got to do it.

In other areas, they have transferred more taxes back to the City of Winnipeg, with their block funding or fund blocking to the City of Winnipeg, but in this whole area for the minister . . . to even use his own figures, that they have increased this particular grant by 6 percent, and everybody knows that inflation has been running 9.5 percent, so, he's not even standing still. That the Conservative government was elected on a platform of greater involvement of the private sector — no, I'm sorry, it's not that, it's the total involvement of the private sector and the public sector should be out of everything.

I'm suggesting, Mr. Chairman, that the net effect of it is, that they're even letting it become involved in this particular area of education; that philosophy is permeating their whole approach to everything. As raised by my colleague, the Member for Transcona, in some of the problems which many of us feel should be a provincial responsibility in the city of Winnipeg, they're putting the City of Winnipeg School Board in the position where they have to go to the United Way to get funds to carry on some of the programs which they have to become involved in.

In this area of funding of public schools, the time has been spent in trying to get figures which jibe, and it's taken considerable time. I think we have agreement on the figures that we will be using as the years go by, and what the government has said that they were going to allocate for education, but in the final analysis we won't know until the Public Accounts are published for this upcoming fiscal year. It's regrettable that we haven't got some other type of system where we can get a faster feedback. But, Mr. Chairman, in this whole area of financing education, and the grants to the schools, we have heard the Minister say that they want to have some kind of testing system, and one of the things that is bothering a number of people, including myself, is how we are going to help people generally.

I'm not talking about Bill 58 people. I'm talking about those people in the system, which the evidence has been accumulated over the past number of years, that there's two kinds of problems in the system. One is a low incident-high cost special need, and the other is the high incident-low costs special need. Now most people think when you're talking about education that when you're talking about special needs, you think of somebody who is physically handicapped, or has some kind of a mental block, or some kind of an inability to learn, such as dyslexia, but nevertheless, Mr. Chairman, there has been compiled statistics, information and identification of actual individuals within the system. And these are the children of all of us.

When we talk about students with special needs, we always think our own children are average, intelligent, and they don't need special assistance. Most of us feel that way. When we're talking about people with special needs, they're always somebody else's kids. And I think that this is what this government is relying on; that when they talk about funding of education, that they are completely going to ignore this drastic need within the the system; that there are literally thousands of people who need special assistance from time to time, for shorter or longer periods, and this is being ignored by this government. At least, ignored in that I haven't heard the Minister announce any assistance to the school divisions, or the schools, to deal with this problem.

And even the attitude of the Minister comes through when he's responding to another question. Once again, to the Member for Transcona, that it's okay to put in a little seed money, but these people have to learn to live by their own resources. In other words, that these problems will disappear. Mr. Chairman, that isn't the case. When we identify a need within the system, then that is an ongoing need. You know, the strange thing is that the lessons you and I learned, Mr. Chairman, don't do our kids any good at all. They have to be educated also.

There's an ever-changing population within the system, and if there is a group which is identified,

then that group will exist in that school population, regardless of whether you and I are in that system, or our children, or our grandchildren, are in that system. And if there's a problem that exists, and we can identify it, and we can do something about it, then we should address ourselves to that problem and build into the system something which can help people develop into successful human beings.

The Minister, when he introduced this particular item in his Estimates, assured us all that he is committed, and his government is committed, to a quality education, but when you try to pin him down to specifics as far as the quality of education is concerned, he keeps avoiding the issue. And I know it's difficult to define in specific, succinct terms, just exactly what you mean by a quality education.

But nevertheless, the Minister has said that he believes in it, so it's incumbent upon him to tell the people of the Province of Manitoba what kind of an educational system he is going to provide through the public system, in the interest and on behalf of the people of the province. It is our understanding of what has taken place to date, that the system is not even holding its own.

Now if you want to use dollars, you can make the case, and I think it's irrefutable, that if inflation is running 9.5 percent, and if you only spend 6 percent more, then you are going back 3.5 percent. And it's even worse than that, because on this one particular item that I focused on as a result of the questions of my colleague, the Member for Transcon he's gone from \$1.2 million, back to 1 million, they've cut out \$200,000 worth of programs, so it's a general decrease of 3.5 percent, but in specific areas, it's 100 percent holdback.

I think my colleague, the Member for St. Vital, had a piece of paper the other day, what the constant dollar effect is; that if you, 1971 to 1979, I think it was . . . what was it, 178 . . . but anyway, he's got it here somewhere. The cost in constant dollars, back to 1971 — it's gone from 100 to 182.7, in eight years \$182.7 — . So, Mr. Chairman, for the government to insist that they are maintaining the quality of education by actually decreasing the amount of money that they're putting into it, just won't wash. It will take about a year for this to work itself out into the public, because, as pointed out by many people, there's a conspiracy of silence, almost. "The Ominous Silence", says one article; "Lack of Reaction Surprises Manitoba Teachers Society". Because the public has not yet heard just exactly what has happened. It'll take a while for the people in the province to realize that the government is not fulfilling their commitment. You know, they could maintain this particular level, and increase it next year, or the year before the election, and they still will not have maintained, over 1977, 1978, 1979, if they go to 1981, they will not have maintained the level of education. So that, Mr. Chairman, unless my colleagues have some other questions at this time, I would suggest we may pass this particular item.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I did have one or two other questions on the Public Schools Finance Board. I wanted to know about the repairs to school roofs during the year, the extent to which this is covered by the Public Schools Finance Board. I'm not sure whether the Minister has in front of him the figures for how many roofing repair jobs were done during the year, and what the total amount of dollars involved was; whether they were paid for by the Public Schools Finance Board, or by the school divisions; or was there some breakdown of costs?

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, of course I don't have the figures for the repairs to every school roof in Manitoba, but I can assure the member that these repairs are paid for by the province, not by the school division.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I didn't hear the Minister give me an undertaking that he would find this information for me. I don't want a breakdown per school as to how much it was — if he can give me an indication of how many such jobs there were during the year and perhaps the total value of them.

MR. COSENS: Well, you know, Mr. Chairman, I am quite prepared to try to provide as much information as possible to the Member for St. Vital, but sometimes I get the feeling that he has almost prepared himself to provide my department with busy work. However, I will endeavour again to find out the figures for him on roof repair in the province in the past year.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. Perhaps while the Minister is doing that, he could also inquire about the inspection system for such repairs, whether the public schools finance board requires that there be a full time on-site inspector for school repairs, and if so, is this a part of the quotation and does the public schools finance board pick up that amount as well? And perhaps the Minister can also tell me the source of such inspectors, whether it's left up to the building contractor himself to provide the inspector, whether he works for the contractor or whether the school board provides him, or if not, is there some other source of supply of such inspection?

MR. COSENS: The Department of Education engages the services of a full-time inspector of roofs on schools, covering roof repair in the Province of Manitoba.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I thank the Minister for that information. Can he tell me whether these are inspectors on the staff of the Department of Education or are they retained from some other source such as a consulting company, or just what is the source?

MR. COSENS: No, the inspector employed for that purpose, Mr. Chairman, is on the staff of the Department of Education.

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

MR. WALDING: I thank the Honourable Minister for that information, Mr. Chairman. My colleague referred just recently to the matter of special needs and what generally comes under the heading of Special Education. The Minister told us earlier that special needs equipment, which was under the Foundation Program last year, has been removed from that. to I know we haven't got 4.(j) yet. Can he tell us what the amount is for the forthcoming year and why it has been taken out of the Foundation Program?

MR. COSENS: Without checking, Mr. Chairman, I believe the amount is \$44,000 that exists in 4.(j) for that particular aspect.

MR. WALDING: Thank you for the answer to the first question. Can the Minister tell us why it was removed from the Foundation Program this year?

MR. COSENS: I would have to check into the rationale for that, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. When the matter of Special Education was mentioned previously, the Minister perhaps from his seat had said that there was an amount something like \$15 million or \$16 million going out for Special Needs Education. I wonder if he would be prepared to give us a breakdown of that amount?

MR. COSENS: I would be quite prepared to, Mr. Chairman, as we move to 3.(e) and 4.(j) where those particular amounts that pertain are found.

MR. WALDING: In that case, I would ask the Minister whether there is any funding under this particular appropriation for Special Needs Education.

MR. COSENS: Mr. Chairman, I believe, when I was giving the figures to the Member for St. Vital a day or so ago under Other Grants, I mentioned under Special Needs, the sum of one-half million dollars.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: Yes, I believe my colleague, the Honourable Member for St. Vital was referring to a figure somewhere in the order of \$15 million or \$16 million for Special Needs, that he believes to have heard the Minister quote at some previous time, and the Minister tells us that when we get to 3.(e) and to 4.(j), he will give us a breakdown of those figures. But 3.(e) is only \$1.9 million and 4.(j) is just like in excess of \$2 million, which gives us a total of roughly \$4 million which still

leaves \$12 million that I suppose must be elsewhere. Could the Minister tell us where we'll be able to deal with those \$12 million that are not in either 3.(e) or 4.(j)?

MR. COSENS: I believe that the figure that the member is referring to, Mr. Chairman, not only encompasses these three particular areas that have been referred to but also encompasses grants paid to teachers of Special Education, Special Education Co-ordinators, and people of that type, as well as the type of support that is provided by school divisions to Special Education. I believe the figure that I had cited included total support across the province for Special Education as well as, I believe at some times I have mentioned also the total support including that of other departments of the government for children with special needs.

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

MR. WALDING: Can the Minister tell us whether this item 3.(a) includes salary grants for resource teachers in the area of Special Needs Education, and if so, could he put a dollar figure on it?

MR. COSENS: Yes, Mr. Chairman, resource teachers are found within that salary grant. It would take me a minute to get that particular figure. I would be quite prepared to go into those specifics as we move into 4.(j), for instance. I have those figures broken down there.

MR. WALDING: Mr. Chairman, I wonder if this would be an appropriate time to discuss Bill 58 in general and the processes that flow from it in connection with its implementation. The previous government, as I recall, brought in Bill 58 some three years ago, realizing that there was a certain planning stage to go through before entering into an implementation stage for it, and had expected to proclaim the Act in this particular year. Can the Minister tell us when he expects to proclaim Bill 58 and what are his steps to complete that planning if it is not yet planned and the implementation stage?

MR. COSENS: Mr. Chairman, I am not at liberty at this point to say what will be done in that regard.

MR. WALDING: Does the Minister expect that proclamation of Bill 58 will come this year or next year? Can he be as precise or as vague as that to say that it could be expected within two years?

MR. COSENS: I am afraid, Mr. Chairman, that I can't provide the Member for St. Vital with that particular information at this time.

MR. WALDING: Can the Minister tell us whether the planning stage under Bill 58 has been finalized?

MR. COSENS: I suppose planning stage is a matter of definition, Mr. Chairman. The Member for St. Vital's definition may differ from mine. When the planning stage will be complete again is a matter that I am not prepared to state at this time.

MR. WALDING: Mr. Chairman, I refer to a paragraph in the Annual Report of the Department of Education on page 12 referring to a Special Education Review, which says, "The Child Development and Support Services Branch conducted a province-wide review of Special Education. The review provided a baseline of essential information necessary to the development and continuing growth of comprehensive, flexible, and functional programs for children with special needs". Now does the Minister wish to comment on that review and is it a public document, since it has been referred to in here, I am wondering if it is a public document, whether it has been circulated, and if not, will he be prepared to give copies to the committee?

MR. COSENS: Yes, Mr. Chairman, this is a public document. To my knowledge, it has been circulated to all the different educational groups in the province some time ago and of course I am prepared to give the member a copy.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I wonder if the Minister would be prepared to summarize for the committee just what the report did, just what it was looking into and what it found?

MR. COSENS: Mr. Chairman, I would again be more prepared to discuss this under 4.(j) or even under 3.(e) than this particular section. The moneys provided under this section for Special Needs apply solely to special grants within that area to low incidence high cost handicaps, solely, whereas moneys under the other two headings apply to the broader area of Special Needs. But I can tell him, if he would like a capsulization of what the report indicated, that it did indicate that practically all of the children in this province with special needs were in some type of educational situation, that particularly those with severe handicapping conditions were being treated in a professional and specialized type of educational atmosphere, and perhaps that category has been best looked after, I might say. It indicated that in those categories of less handicap that these categories also were in a learning situation, but it is in this area that there is perhaps the greatest room for improvement as far as the educational system is concerned.

MR. CHAIRMAN: (a)—pass; (b)—pass; (c)—pass; (d)—pass. The Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman, before we pass (d), I'd like to get the Minister's views on the Teachers Retirement Plan in general. At the present time, the way it's structured, and that's the way most retirement plans are, that at a certain age you terminate your employment and you become eligible for pension related to your years of service and to your income. But anyway, it's sort of based on the principle that you must terminate your employment entirely in order to be eligible for pension. I would like to ask the Minister whether he had considered, and if he has not, would he consider discussing with the teachers, and perhaps some of his colleagues should discuss the same matter with other groups, a retirement plan which would provide for a gradual phasing out of employment and a phasing into retirement, as it were. In other words, rather than the sudden and abrupt change from employment to retirement, a gradual one — you know, take into account the fact that I think there are many people who would like to . . . perhaps they no longer feel capable of carrying a full teaching load, but they'd like to teach three-quarters time, two-thirds time, half time or quarter time or whatever, and they may want to teach that fraction of a time in any one of a number of ways — perhaps certain times of the day, mornings or afternoons. Or they may prefer certain semesters of a school year, and this would take into account the fact that the — at least at the high school level, that the year is divided into semesters and trimesters in many schools. Some may prefer to teach the first semester and not the second. They may have a place somewhere south that they'd like to get away to in the months of February and March, so a half-year teaching arrangement might work out very nicely for them. And for the remaining number of years that they may wish to teach, it may enable them to continue offering good quality service, because they'll be carrying a work load of a level that they would feel capable of handling.

But at the present time, Mr. Chairman, a teacher may not wish to go into semi-retirement, simply for economic reasons. That, you know, a teacher will say, "Well, I can't afford to live on one half my paycheque." So here I would suggest to the Minister, if perhaps the Pensions Act could be reviewed and some provision made for a pension calculated on fractions of a year of retirement. The simplest example that I could give is if, let's say at age 55 or age 60, a teacher may wish to go on half-time employment, so from his or her employment, he collects a half a year's pay, and then he becomes eligible for half his pension, as it were, because he's retired and half-time, so you take the pension, half of it and of course, in addition to that you have to discount it for early retirement, and I'm sure that a formula — I'm not a pensions actuary, but I'm sure that a formula could be worked out by the experts, by the technicians, which would allow for gradual phasing out of employment and phasing into retirement, rather than the sudden change.

And in fact, in this day and age of declining enrolment, which we have debated for so long in the House and of which we're all aware, that type of arrangement may even benefit and assist many school divisions, because . . . well, that's just the nature of the education business, that's the nature of the beast, that you require certain staff people to teach certain courses, and because of the way the present Public Schools Act reads, those teachers are hired on a full-time contract. But actually it might be preferable to hire them on a 50 percent contract, or 60 or 75 percent, for a certain subject, for certain subjects, for certain periods of the year. So I realize that this would necessitate not only an amendment to the Teachers Retirement Allowances Act, but also the Public Schools Act, because it also has a bearing on form 6, the teaching contract and the related provisions to it in the Public Schools Act.

But I'm sure those changes can be made with legislation, so without really going into the details of the thing, I would like to hear the Minister's comments on the proposal that I have just made, a gradual phasing out of teaching and phasing into retirement, a combination of the two and then

eventually, of course, there will come a time when the teacher will want to go on full retirement, well, then you know, we're back into the present arrangement, but the type of proposal that I put forth to the Minister, I'd like to hear his comments.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, the Member for Burrows, I'm sure, is aware that the Teachers Retirement Allowance Fund is administered by a board. The teachers themselves, of course, determine to a large extent the structuring of the pension and how the different benefits and so on will accrue in the pension plan. It is linked to their contribution and to the contribution of the government. The Member for Burrows puts forward a rather different proposal, one that certainly has not emanated to my knowledge from the Teachers' Society, this is not a request that I'm aware of that has come from that particular area. He puts forward a rather interesting suggestion. I would say to him that I would be interested in seeing other plans similar to the one that he outlines; I would like to have further information as to how they are working and what type of success, what type of actuarial costs, what the actual premiums are that are required to pay for such a plan? I do say to him that it might have some benefits as far as he suggests phasing people out of a profession. I'm not sure that people want to be phased out but he suggests that they do, or that some do. Some people, in fact, are not anxious to quit at 65 but would like to continue, so if he is suggesting a plan where there are many many alternatives and many ways of completing your required number of years, certainly it's an interesting suggestion, Mr. Chairman.

MR. HANUSCHAK: You know, the Minister speaks of a plan to phase teachers out. I wasn't thinking of it in terms of being a device that someone could use to phase a teacher out of a job but I was thinking of it more in terms of a means whereby a teacher could choose that option — and the Minister's quite right that there are many teachers who are quite capable of and would wish to teach much beyond 65, but I also know that there are many teachers who may wish to take early retirement and maybe some of them should take early retirement, but they don't want to just suddenly quit teaching tomorrow, period, you know at 55 or 60 years of age, or whatever, and perhaps they shouldn't just quit teaching. Maybe they are still quite capable of doing a darn good job teaching half-time, or three-quarters time, or two-thirds time, and they might still be capable of offering quite a significant contribution to their school division, provided that they were allowed to work less than full-time. But, as I've said, with many it's an economic matter, it is a problem to assume half-time employment, but if some arrangement could be worked out where for the half-time that the teacher is not employed, that the teacher could be able to derive the benefits of his or her pension plan, actuarially calculated of course. I well recognize that the pension benefits accruing to a teacher of course are lower if you take early retirement; I'm also well aware of the fact that there might be some increased costs.

Now, the Minister says that he has not received that proposal from the teachers. I don't think it will do the Minister any harm to put that proposal forward to the teachers and get their reaction to it. Surely there's nothing to prevent the Minister from making a suggestion to the teachers and bounce his suggestion off them in order to get their views and opinions on it. Now the Minister said that he would want to take a look at other plans — I don't know whether there are any other similar plans or not, and that is why I've suggested to the Minister that this might be something that he would want to discuss, and I would urge him to discuss it with the Minister responsible for the Civil Service Commission. He might want to discuss it with his colleagues responsible for various Crown corporations that have their own pension plans — the Telephone System, Hydro, and so forth.

I'm well aware, and I haven't got a detailed actuarial plan worked out, we're merely discussing the principle of it, and I would hope that having mentioned it to the Minister, that the Minister would pursue my suggestion, and we'll have an opportunity to discuss it further and hopefully, over the years, we'll be able to discuss it in more definite terms, if it has merit. And even if it does not have merit, we will be able to discuss in more definite terms why it does not have merit, and to see what revisions or changes could be made to develop a scheme, to develop a scheme for gradual retirement or partial retirement, or — I'm not even sure what the most exact term would be to describe that type of arrangement, but I have described it, outlined it, to the Minister, so I'm sure the Minister knows what I'm talking about — to develop a scheme that would allow a person to continue his employment on a partial basis, and also reap some benefits of his pension's contributions.

MR. CHAIRMAN: (d)—pass — the Honourable Member for Winnipeg Centre.

MR. BOYCE: Boy, Mr. Chairman, I just can't let this item pass without making my annual pitch. I was totally unsuccessful with my own colleagues in this regard, but perhaps the Minister can prevail upon his colleagues.

Ever since the Second World War, Mr. Chairman, every successive government has made a change in eligibility as far as war service is concerned. Immediately after the war, they set up one criteria; a few years down the road they changed it; a few years down the road they changed it; and I think the last change was in 1976 or so. And my position — I'll confess a conflict of interest in this regard, because it applies to myself — but nevertheless my argument way back when was still the same, if it weren't applied to me; that if a year of war service is creditable as far as pension is concerned, it should be irrelevant when it was accrued. And they've kept changing the criteria down the line; I think the last position of the former government was that if somebody wanted to buy those years now, they would have to pick it up at 12 percent, or something.

But with reference to this thing, I would ask the Minister to keep it in the back of his mind, because it applies to more and more people in, oh, the next five, ten years, I would suppose. But nevertheless, there is a question of equity in my mind, even albeit it applies to myself; but it was originally intended that the people who had left the teaching profession to go into the armed services would be guaranteed a job when they got back. Then it was expanded to include those people who were in Teachers' College, or Normal School; and then it was expanded to include those people who came back into teaching a year or two afterwards. Then it kept being shoved down the road. So I would just, with reference to this item, ask the Minister if he would just look at that and see if it is in his view equitable.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, I give the honourable member my assurance that I will look at that item.

MR. CHAIRMAN: (d)—pass; (e)—pass — the Honourable Member for Winnipeg Centre.

MR. BOYCE: With reference to (e), the Minister had said earlier that some of our questions as far as development is concerned, we could discuss under a particular item. So just so that there's no duplication of debate, we will pass this item on the understanding that some of the specific questions that we have as far as policy will be related to the programs itself.

MR. CHAIRMAN: I think the Honourable Minister mentioned under 4.(j). The Honourable Minister.

MR. COSENS: I would be quite prepared to go into complete detail under that, Mr. Chairman, to accommodate the honourable member.

MR. CHAIRMAN: (e)—pass; Resolution No. 42—pass — the Honourable Acting Government House Leader.

HON. EDWARD MCGILL: Committee rise.

MR. CHAIRMAN: Committee rise. This committee is adjourned.