



Fourth Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

STANDING COMMITTEE

on

LAW AMENDMENTS

42 Elizabeth II

Chairperson
Mr. Bob Rose
Constituency of Turtle Mountain



VOL. XLII No. 8 - 7 p.m., THURSDAY, JULY 8, 1993

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON LAW AMENDMENTS

Thursday, July 8, 1993

TIME — 7 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRPERSON — Mr. Bob Rose (Turtle Mountain)

ATTENDANCE - 10 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Derkach, Downey,
Gilleshammer, McCrae

Mr. Edwards, Ms. Friesen, Messrs.
Martindale, McAlpine, Mrs. Render, Mr. Rose

WITNESSES:

David Gratzner - Private Citizen

Barry Hammond - Private Citizen

Bill Sanderson - Winnipeg School Div. No. 1

Alan Daly - Private Citizen

Rob Bray - Private Citizen

Leagh Blackwell - Private Citizen

Paul Johnston - Manitoba Coalition on
Children's Rights

Glen Murray - Councillor, City of Winnipeg

Walter Stewart - Principal, R.B. Russell School

Ken Guilford - Private Citizen

MATTERS UNDER DISCUSSION:

Bill 32—The Social Allowances Amendment
Act

* * *

Mr. Chairperson: Will the Standing Committee on Law Amendments please come to order.

When the committee recessed at noon, it was hearing public presentations on Bill 32, The Social Allowances Amendment Act. A revised presenters list, since we met this morning, has been circulated to committee members. For the public's information, a copy of that list is posted just outside the entry to the committee room.

If there is anyone in the audience that wishes to make a presentation and is not currently registered or on that list, please identify yourself to the staff at

the back of the room, and your name will be added to the list of the presenters.

We will now continue with public presentations. I will call David Gratzner, private citizen.

Mr. David Gratzner (Private Citizen): Good evening. My name is David Gratzner. I am a university student at the University of Manitoba, a science student.

I speak today not only as David Gratzner, private citizen, but also as the senior UMSU rep for science, the University of Manitoba Student Union representative for science, the senior most person there. That is not based on age, as you might imagine. I ran this March on a platform to fight for quality of education. I got the largest number of votes in a faculty in a decade. Tonight I wish to make presentation not only as David Gratzner, private citizen, but on behalf of all of those people who voted for me, who voted for quality education.

To begin with, I wanted to just spend a tiny bit of time talking about the importance of an education. I think everyone around the table tonight has enjoyed a solid education. Education is really invaluable. I do not have to lecture any of you on how important it is. Disraeli, 15th of June, 1874, said: Upon the education of the people of this country, the fate of this country depends. Though of course he was speaking of England, I think that applies today to our country as well.

When a person cuts short his academic career, he does not only cut short the number of years he will spend in school, he cuts short his potential, he cuts short his future. An education is something that should not be taken for granted. An education is something that is terribly important for all of us. Of course, it is terribly important for the individual, because without a solid education he cannot excel. It is also important for the government, for a well-educated citizen works and contributes to society and, of course, pays taxes. In other words, it is in the best interests of all to see a well-educated citizenry.

The standards for education have gone up. About 30, 40 years ago, a high school education was somewhat of a novelty. Perhaps that is a bit of an exaggeration, but a person with a high school diploma could get basically any job he really wanted to. About 20 years ago, if you got a Bachelor of Arts, that was considered enough to, quote: write your own ticket. Today, standards have gone up. I have a friend who just graduated from the university with a Bachelor of Arts, Honours in Philosophy, and was a little bit surprised to find that after four years of hard studying, there is not really a job available.

These are tough times. I was talking to a person who just graduated from medicine, a friend of my brother, who is a doctor. He graduated with a G.P., General Practitioner. Ten years he spent studying after high school, 22 years of his life, and again, he found it difficult to find a job.

I realize that education is important, and of course, so does every government. That is why there is so much subsidizing of education. We live in a society where we can say elementary school is subsidized. It is fraying; so is high school.

I go to university, and of course, though I pay student fees, somewhat grudgingly at times, I realize that it is subsidized, too. Within my own faculty, I pay only about 20 percent of my fees. If I was to go into medicine, I would pay only 5 percent of my fees. Clearly, education is highly subsidized because it so worthwhile, not only for the individual, but of course, for the state.

The question is though: What about the other 20 percent that I pay, or what about those high school students who, today, we are really discussing, those students who cannot quite make ends meet and who are on welfare but also go to school? Whose responsibility is it to pay for their tab?

Well, I think we can start by pointing out that it is really one person's responsibility, the student. It is his responsibility to try and pay. Clearly, not everyone can. Most high school students are not terribly wealthy. Most high school students have a lot of trouble making ends meet. That is what parents are for, as my parents would be so happy to hear me say.

Then, of course, there is the family. If a student cannot make ends meet, there is the family to help out, to try and put them through school, to provide a house. Of course, that is not always available. I

was fortunate, of course. I had a loving family. I did not come from a broken home, and I was able to go through high school without worrying too much about financial matters.

But the people whom I have heard present today, from nine o'clock this morning, many of them do not have that luxury. So the question is: Who should foot the bill? The response they have given consistently is society. They say that they should be allowed to stay on welfare. I disagree. That is why I am supporting Bill 32.

You see, I think it is very important that these students be able to go to high school, but I think it is a tragic mistake to assume that society should simply leave them on welfare and essentially let them rot there, because that is not what society should be doing. The government should be helping them help themselves. That is why I am an adamant supporter of things like the Canada loans for university students, and for high school students, I am a strong supporter of the Canada Employment Services.

What I would suggest we do is vote in favour of Bill 32 but, at the same time, try and send a message to places like Canada Employment Centres, that in fact they should also spend money on advertising, so students know that there are jobs available and how they can get them. The purpose of government should not be to put people on welfare. The purpose of government should be to help people find work.

Now, you might think it is a bit strange: Wait a minute here, did he not say he represents students? Wait a minute here, did he not say he is in favour of quality education? I stand by that claim. You see, when money goes to programs, there is less money in the pot, simply put. If you vote in favour of Bill 32, there will be more monies available for other things like quality education. It is a little bit tough to say that we have a choice here, because whenever you make a choice, it is difficult to find which is the right decision.

It is always easy to find people who will be hurt, but let me give you an example of the type of person who is helped by The Social Allowances Act and the type of person who will be helped if you vote in favour of Bill 32. For instance, I was reading in the paper, I believe it was around June 15, there was a student who was 24 years of age and he needed two more credits to fill high school. He

was, of course, on the program. He said he earned about \$6,000 a year from the program. By my estimations, if he worked about three hours a day, he could get about the same amount of money. He would have the pride of having worked, and he could take courses in the evening and satisfy his degree requirements. In other words, that person does not really need the money. What he needs is a little direction.

On the other hand, what can we do with the money? Well, I have a couple of suggestions. As I mentioned before, I am from the University of Manitoba and I was thinking about some of the things that are going on now because of the funding shortages at the university. I was thinking about my biology section which was closed and the number of biology TAs who were fired. TAs are teaching assistants, by the way. They are vital for making sure that people can enter the course and graduate from the course. You see, the problem with introduction to biology is about 50 percent of the people who want to get into introduction to biology cannot, and when we close sections, when we fire TAs, even fewer people can get in.

Although I feel for that 24-year-old student who will no longer be getting six-or-so thousand dollars from the government, you must feel for those students who are trying to get a quality education at the university. The math department recently fired all of their TAs. Calculus, which has the highest failure rate of any course at the University of Manitoba, will no longer be aided by TAs who can go over problems and what not.

* (1910)

In other words, these are fiscally tough times and there are problems with our education system. Though I would love to stand up here and tell you, no, no, there is plenty of money, keep the money in this program, we have to be realistic. I think, bearing that in mind, Bill 32, though it is not pleasant, is a necessity because we need the money elsewhere, whether it be to service the debt, or it be to hire more biology TAs or it be just to make quality education at the university that much better.

By voting in favour of Bill 32, if we can avoid cutting money elsewhere, I think it is worthwhile and I hope you will agree. Thank you.

Mr. Chairperson: Thank you very much, Mr. Gratzer. Are you prepared to enter into dialogue with committee members?

Mr. Gratzer: Pardon me.

Mr. Chairperson: Are you prepared to discuss your presentation with committee members?

Mr. Gratzer: Yes.

Mr. Doug Martindale (Burrows): Mr. Chairperson, I would like to begin by thanking Mr. Gratzer for his presentation. I have a comment and then a question.

I do not think that this bill is really about redirecting money and trying to decide whether it is more suitable to spend it on the Student Social Allowances Program or teaching assistants at the university or biology sections at the university. If it were, then maybe we could come to a consensus on where the priority was for the money or where the greatest need was to spend the \$3 million or \$4 million we are talking about.

I think what this bill is about is eliminating the Student Social Allowances Program and saving \$4 million. If you agree that is really what we are talking about, are you saying that you would still be in favour of eliminating the program?

Mr. Gratzer: Well, of course, you can word it in any way you want, but when you cut a program you have to ask where is the money going to go, because we are not talking about just cutting the program and saving \$4 million which will not be spent at all. Clearly, it will be spent. Yes, I am still in favour of cutting the program, because the more money that is available, the better causes it can go to. The question should not only be what are we cutting—but what are we are cutting, what are we saving and where will that go.

Hon. Leonard Derkach (Minister of Rural Development): Mr. Gratzer, thank you for your presentation. I was intrigued by what you said in your presentation in that you want emphasis to be placed on quality education at our universities and to ensure that we can to the best of our ability preserve the programs that are offered at our educational institutions. What we as a government should be doing is seeking alternative ways to provide those job opportunities even on a part-time basis for those students who require those kinds of opportunities to assist them in completing their educational programs.

Therefore, I guess my question to you is how do you see us, perhaps as a government, addressing the problems of the students who are not going to

be receiving the social allowance now, to assist them in getting an education in the future?

Mr. Gratzner: Well, it is a difficult question to address. I would say that if the government wants to do something about their students who might potentially be hurt by cutting this program, then what the government should do is make it easier to get a job. That should not be confused with the government making jobs.

I would say then that, for instance, some of the money saved could be spent on, for instance, advertising Canada Employment Centres or perhaps monies available already with such programs could be spent on advertising so that students would know what is out there. I think part of the problem is a lot of students do not know that if they go to an employment centre, they can find out about jobs available. I think what we heard a little earlier today, there are a lot of students who are desperately trying to find jobs, but they were not quite doing it in the right sort of way.

Mr. Derkach: Mr. Gratzner, did you have a part-time job while you worked at the university or went to school?

Mr. Gratzner: Well, one could classify my role at the university as a part-time job. This summer, I am working. So I suppose you could say, yes, I am going to school and working at the same time.

Mr. Derkach: Would you earn enough money to assist you in paying your tuition fee at the university for your next year?

Mr. Gratzner: Well, my father is fortunately a professor, so theoretically speaking I do not pay any tuition, but if I did pay tuition and I could not afford it, I could always apply through the various levels of government loans. Fortunately, I do not have to worry about that.

Mr. Derkach: Okay, but if you did have to worry about that, you could in fact take a university program and still find employment to assist you in making it through the year.

Mr. Gratzner: Well, this year I found a job which would pay enough, yes. In other years, I am not entirely sure. Again, if I did not, I could always apply for a Canada loan and therefore pay when I graduate. So, again, it would not be a problem.

Mr. Derkach: Thank you very much.

Hon. Harold Gillieshammer (Minister of Family Services): I would like to thank you for making

your presentation on behalf of students and students at the University of Manitoba. I think you see first-hand here the dilemma we face, and you recognize that governments have to set priorities in how they spend their dollars and recognize that in opposition, you can simply say you would do everything you used to do plus spend more money. That just is not possible in these days. It was very clearly demonstrated here tonight.

Ms. Jean Friesen (Wolseley): I just wanted to clarify, you said that you were speaking—and I do not want to put words in your mouth—you said that you assumed that you were speaking on behalf of the science students at the University of Manitoba because you received the largest number of votes. Was the issue of student social allowance programs an issue in your campaign?

Mr. Gratzner: No, quality of education was.

Ms. Friesen: So your assumption then that you speak for the science students or a proportion of the science students at the University of Manitoba on this issue is perhaps stretching it a little.

Mr. Gratzner: When you were elected, did you run on preserving social allowances and what not?

Ms. Friesen: Yes.

Mr. Gratzner: Fair enough. Then I would respond that I see it within my mandate and to look at it broadly in the same way if something you did not run on came up which you clearly saw as hurting poor people, as your policies so clearly attempt to protect, then you would be able to speak out on that. In a similar way, when I see something which would threaten quality of education or enhance quality of education, I feel free to speak.

Ms. Friesen: I accept that clarification. That is not a delegation in the sense, it is a representative perspective that you believe you are offering.

One final comment was, I was interested and intrigued by your early quotation from Disraeli. I am sure you know of Disraeli's, perhaps, more famous quotations on the two Englands: the north and the south, the rich and the poor. In his novel, of course, he is also looking at the tendency of late 19th Century Victorian society for those kinds of divisions to intensify.

I wonder if you see the issue here in the same way that Canada and the United States, Canada to a lesser degree, is experiencing a shift in wealth from the poor to the rich. Do you see that as a

factor in looking at student social allowance types of programs?

Mr. Gratzer: I suppose I have somewhat of a biased view since both of my parents came from a communist country about 30 years ago. They were both dirt poor, and my father had a degree, my mother did not. The two of them worked and achieved a degree. My mother became a dentist, and my father went on to become a full professor at the university. So in a sense I have somewhat of a biased view, because I do not see that much of a class system because I see people working and people achieving things, but perhaps I am slightly biased.

You said, do I see a definite class system, an increase in the number of rich people. Yes, I see an increase in the number of rich people and I see an increase in the number of upper middle-class people, because I think that when people start to work harder and if we can offer people better and better training, then they will achieve more. However, if we start increasing taxes or we start cutting back on quality of education, then yes, we will see a stronger gap between the rich and the poor.

Mr. Paul Edwards (Leader of the Second Opposition): I just have one question. As I understand it, Mr. Gratzer, the thesis of what you are saying is that it is okay—

Mr. Chalrperson: Excuse me, Mr. Edwards, could you bring your microphone a little closer, please.

* (1920)

Mr. Edwards: As I understand it, the thesis of what you are saying is that we should support taking this money away from this program on the assumption that that will free up those same monies to improve the quality of education that we offer in the province. Is that essentially what you are saying?

Mr. Gratzer: No. What I am saying is that, if we cut back here, there will be more monies available which we could use towards quality education. As a result, I would say that since there have to be cuts, since this government is bent on cuts, which I tend to agree with because of our deficit, I would say that if we are going to cut, then let us find an area where we can cut and thus preserve the amount of monies going towards quality education in the university.

Mr. Edwards: Taking that assumption as being correct, which I do not think it is, but let us assume that those monies were freed up and were going to be used for or diverted to the quality of education in some way, it strikes me, and I just put it to you that I, of course, as you, want high quality education, and as important, if not more important, I want to preserve access to that education.

Whatever quality of education we have, it strikes me that however high quality it is, if we do not offer access equally to those in our society, rich and poor, good homes and bad homes, aboriginal, nonaboriginal, whatever background somebody comes from, then we are not really living up to what Mr. Disraeli said.

I wonder about access to education as being as important as the quality.

Mr. Gratzer: Well, of course, it would be naive to look at one thing without looking at the other. Of course it is somewhat of a balance, however, because in an ideal world I suppose I would stand up here and say I am in favour of everyone getting an education, and I am in favour of everyone getting a Harvard level education. That unfortunately is not a reality. The question is where is the balance between access and quality education? I am saying, by voting in favour of this bill, you would not necessarily harm the access; however, you would make the potential there to improve the quality.

Mr. Edwards: You have told us and been very frank, and I appreciate that, and I fall into the same category as someone who never had the need for such a program to have access to a university education.

We have heard from many, many people at this committee, and may hear tonight, who tell us that they did need this program to have access to an education. I am inclined to believe them. I have no reason to doubt them.

I wonder, given the balance that has to be struck, just where you stand on offering that equality of opportunity to people of less fortunate means. As much as I want to believe in the free enterprise market—your parents did when they came here and worked to succeed and all of those things—the whole morality of the system kind of falls apart when you do not offer equality of opportunity.

Does that strike a chord with you?

Mr. Gratzer: Well, I was 17th on the original list, and as a result I sat through this morning's session somewhat in awe as I watched person after person stand up from various backgrounds and address a committee with cabinet ministers, with the Leader of the Opposition (Mr. Doer) who came in and left, and of course the Leader of the Liberal Party (Mr. Edwards). Congratulations on your recent election.

I sat there and I watched the whole thing, and the decision I arrived at was not that these people wanted this program, what they wanted to do was go to school and have enough money so that they did not have to worry constantly about literally starving. That is what they were interested in.

I am saying, yes, it is important that they not have to worry about being hungry. The way we can accomplish that is not by putting them on welfare, it is by putting them on the payroll. In other words, having them find jobs. It is easy to simply say for every issue, well, they cannot find a job, it is the government's problem. Clearly it is missing the point as well as being terribly, terribly expensive.

Mr. Edwards: Just so I can have it clear. Those people, your suggestion would be, could work, go to school, support themselves and have an education, you believe, at the same time, and that is why we do not need the program. I do not want to oversimplify it or put words in your mouth but I am left wondering, and you have articulated well that these people are real, they are there, and they say they need this program so that they can go to school and literally not starve.

I am looking for what the answer to them is, should this bill be supported and which you recommend. I gather that it is they can work and go to school alternatively or at the same time. That is the solution you offer?

Mr. Gratzer: Yes, it is. Alternatively is a little bit tricky since it is very difficult when a person is on a low income to save up enough money, but, yes, I am recommending that they could get a part-time job and yet go to school. My mother did it, and I think others can do it. It would be more rewarding than being on welfare.

Mr. Edwards: Do you know what the average part-time wage in this province is?

Mr. Gratzer: I do not know what the average is. I know what the minimum is, and by my own calculations, by working about three hours a day,

taking Sunday off, that would be the equivalent of what these people earn by being on welfare. They could take a summer job with a higher salary or perhaps they could go to night school if unfortunately they are only earning minimum wage.

Mr. Edwards: So, and I appreciate your comments very much, you would say six days a week, three hours a day, approximately 18 hours a week at minimum wage, in your view, would be sufficient for someone to make up for the loss of this program. That is your calculation?

Mr. Gratzer: Well, that is a crude approximation since I do not completely know how much money these people get. I estimated it was around \$6,000. Of course, I do not know the exact details.

What I do know is that these people definitely could work and that a lot of people who have tasks which do not, of course, require a high school diploma earn a lot more than minimum wage. Cutting the lawn, for instance, for a lot of people can earn them up to \$10 a hour. The people who work at food services at the University of Manitoba have literally no education and they earn \$22 to \$25 a hour. So I think it is possible.

Yes, by the way, we ran an election campaign on that issue, but the unions are very strong there. In other words, I think it is possible to balance a part-time job with going to school.

Mr. Edwards: I appreciate you have said that you were not positive of these numbers, but you have based your conclusions, your assessment of a person's ability to handle both of these things, given that alternatively can be difficult because it is very tough to save money in these positions, on roughly 18 hours a week of work at minimum wage. That is what you are basing your assessment on, as someone could do that and get back to where they are. [interjection]

I am just asking the speaker for clarification, Mr. McCrae. If you have a difficulty with that, you are free to raise a point of order. [interjection] Well, you are a little touchy about that. Mr. McCrae, this gentleman is having absolutely no problem responding to my question, and I do not think he needs protection.

I would like, just am wondering, if that is the assumption. Do I have it straight when I hear other presenters that that is a workable solution for these people?

Mr. Gratzler: Yes, for instance—as a quick aside—many of these people in these programs are not taking a full course load. I have a friend who is in university that takes five courses and is in science, which means that in fact she has labs, so she is looking at a tremendous workload. Labs—as a quick aside—generally run about three to four hours. They require lab reports and what not, so it is a tremendous workload. On top of that, she works about 20 to 25 hours a week at SuperValu.

Mr. Edwards: Are you aware of any other benefits that people who are on this program get in addition to the straight payments?

Mr. Gratzler: Before today, I was not terribly aware. I have heard a number of people mention several programs within the city. For instance, a person was mentioning how they gave him a little money if he did certain jobs. The money was pathetically low. It was, I think, \$90 a month or so, but there are other programs available. More important than that, there are jobs available.

Mr. Edwards: Thank you very much, Mr. Gratzler.

Mr. Chalrperson: If there are no other questions or comments, I thank you very much, Mr. Gratzler, for your presentation this evening.

Mr. Gratzler: Thank you.

* (1930)

Mr. Chalrperson: We will now call Barry Hammond, private citizen. You have a written presentation that is being distributed at the moment, Mr. Hammond. You may begin when you are ready.

Mr. Barry Hammond (Private Citizen): Before I go into the presentation, the comments that I make are, I think, on a broader North American educational picture. Of course, I believe the implications for Manitoba are very direct, so therefore, I think that by looking at the broader picture, we might focus in on the Manitoba situation.

I think Bill 32 should be withdrawn as soon as possible. As a middle-income taxpayer, I know this bill will lead to higher taxes in the long run. As a concerned human being, I know it will cause hardship and stress on about 1,200 individuals who will suffer under the withdrawn allowances. As one concerned with justice, I know it will decrease funds for those in need, thus making dollars available for

corporations and for the wealthy whose taxes have been so drastically reduced in the last years.

The provinces over the last year alone have lost over \$9 billion due to capital gains exemptions and other tax breaks to the wealthy, yet employment has not increased, nor have grants to students. The government has a vital role to play, I think, in redistributing income. If government is just, they will tax the wealthy and support the poor in enterprises such as increasing their educational standing. If a government cuts allowances for the poor and enriches the already wealthy, then such a government should resign and dishonourably discharge themselves. Bill 32 appears to do just that second thing, take from the poor and give to the rich.

I think education is too important to be left to the free market, as cutting subsidies to education is bound to do. Allowing only those who can afford to go to school to do so cuts off access to hundreds of capable and intelligent learners. It is fiscally irresponsible to increase the school drop-out rate, yet this is exactly what Bill 32 proposes.

The process of creating Bill 32, as well as these hearings, is flawed, I sense. Democracy would suggest that a committee, task force, panel or commission be struck to explore needed changes, if any, in social allowances. Instead we have brief public hearings after the amendments are designed. If other bills introduced by this government are the model, then changes to this bill due to these public hearings will be minimal if any. If this is the case again, we will view these public hearings as token and perpetrators of this bill undemocratic.

The creators of these amendments pride themselves in being a bottom-line government in which the bottom line is increased efficiency and a progressive fiscal policy. If a progressive fiscal policy is the bottom line, then good investments are one of the keys. It is really investments I want to dwell with.

We know that investing in early childhood education is known to bring about 600 percent return on dollars paid to inner-city four-year-olds if you consider them 14 years later, costs such as reduced prison expenses, decreased welfare payments and increased literacy rates. This is a longitudinal study that I think was very accurate in predicting the investment outcome of investing in

four-year-olds. Investment in adolescents and in post-secondary education is assessed at various amounts.

In '57, T.W. Schultz determined that the human capital value of the labour force in the U.S. was \$884 billion in '56 prices, or 42 percent of all productive capital. I want to kind of urge the whole idea of viewing educated individuals as human capital in this sense. Most of this value is education. Schultz notes that, quote, training or investment in human resources by education is clearly becoming a major force of investment in the modern type of economy. This was in 1957.

Apparently Schultz's prediction predicted incorrectly for Manitoba. Here we are cutting back on educational investment even though we know that the rate of return on such investments is higher than on most investments and especially on present-day bonds. Howard S. Becker estimated the rate of return at 14 percent for investment in education; however, he did not include the now-known fact that when parents return to studies their children's grades in school also improve. Hence we head off the cycle of poverty two generations at a time.

It seems that responsible fiscal management indicates that we should invest in education. I think Bill 32 suggests the opposite. To reduce the deficit the government is cutting social allowances to people who want an education. This is inefficient, hurtful and unjust. I suggest withdrawal of Bill 32. Thank you.

Mr. Chairperson: Thank you very much, Mr. Hammond.

Mr. Martindale: Mr. Chairperson, I would like to thank the presenter for being here, two days in a row in fact.

I wonder if you could expand on what you said in the first paragraph about this bill leading to higher taxes in the long run, or did you do that in the rest of your paper when you talked about investment in education?

Mr. Hammond: Investment is a significant part of that, but I really believe that in fact costs are going to be higher, because welfare payments are going to be in lieu of educational payments and probably in the long run are dead end and therefore are not productive in any sense.

We know at the Winnipeg Education Centre, for example, that in about seven years after

graduation, people have paid back all of the money they received on their investment in education. So I would see this as an investment again.

Another thing that was mentioned of course this morning was that people go to prison very often if they do not have educational options, and we know that the number of people in prison who do not have education is much higher than the people who do have education. I wanted to note that the speaker this morning said that the cost to keep a person in prison in Manitoba is about \$40,000, and this is the figure that I have been able to find, and that is equivalent to two full scholarships at Harvard University. Now it seems that we are making a mistake if we choose to incarcerate somebody for the same price that we could send two people to Harvard University. I think that is a mispending of money to invest in prison incarceration instead of in education.

Mr. Martindale: Or we could keep about 10 students on the high school Student Social Allowances Program for a year.

Since you work at the Winnipeg Education Centre in an ACCESS program, I wonder if you could tell us the importance of the Student Social Allowances Program for students who would normally be eligible for an ACCESS program such as the Winnipeg Education Centre, and if students who have enrolled at the Winnipeg Education Centre have completed their high school with the help of the Student Social Allowances Program.

Mr. Hammond: Where to begin with all of this? I think I should begin with the fact that many of our students have not completed a complete high school program. However, the very pursuing of education ups people's opportunities to come into a program like ACCESS programs. So we view it—although, for example, GED is not a prerequisite for coming into the program, it is very helpful if people have pursued a GED.

I think what I should note are two things. First of all, our success rate of students, taking people who are social allowance recipients and so on, has been higher than the university's success rate in graduation of students. Now, when we cite that statistic to the university, they occasionally say, well, if we funded students to that level at the University of Manitoba, our dropout rates would not be as high as they are. In which case, I say, the point is made that it is not an intelligence problem at

all, it is purely a financial problem, and the financial investment in education seems to be a very good one.

So I really think that many of our students have done upgrading. I have tried to get a figure about how many students at the university level are on student social allowance, and I have not been able to get an accurate figure there. It appears to be about 200, is what I have been told, but I am not sure that that is absolutely accurate.

Mr. Martindale: I have been told by parents that when they went back to school that it improved their children's grades. I suppose it is because they became role models and their children saw them studying, and they were encouraged to study themselves. I wonder if you have heard similar stories or know of cases where this was true.

Mr. Hammond: I know of numerous cases. In fact, our students continually report this, that when they come back to study, their children's grades go up in school. This is what I alluded to in my brief when I said that we seem to be able to cut off this cycle of poverty two generations at a time.

This is information that we did not have before we started programs like the Winnipeg Education Centre, but we now know that in fact helping mom to attend university, and 60 percent of our students are single-parent mothers, certainly helps their own children to do better in school. It is one of the best investments we could ever make.

* (1940)

Mr. Martindale: Since I know, Mr. Hammond, that you live in the inner city, although I would not restrict these kinds of social problems that I am going to use as examples to the inner city, but previous presenters have said that they feel that if students are not in school, some of them, out of economic necessity, will be forced into crime and prostitution. Do you agree with that assessment or not?

Mr. Hammond: Of course, I do, and many people have personally told me that, that they seem to have no other options but this. I cited last night, and I would like to cite again, that Winnipeg School Division statistics for the Norquay School area, in which I am a resident, has a per family income of about \$8,000 a year. When I cite this statistic to people, they say people cannot live on \$8,000 a year. Families cannot exist on \$8,000, but this is the average. People like me warp those statistics

considerably, and it must mean that a lot of people are living on less than \$8,000—a lot of families are existing on less than \$8,000 a year. I think such families have no choice if they wish to feed their families to access other means of getting funds.

Mr. Martindale: My final question is: Just how realistic do you think it is to expect students trying to finish their high school education as full-time students as fast as possible to work part time to support themselves? Do you think it is realistic in terms of their studies and in terms of finding enough hours a week of employment to be self-supporting?

Mr. Hammond: The statistics that I have are very similar to those reported this morning from the woman from SKY, that it is about 1 or 2 percent who are able to do that. That has been what I have been able to ascertain from talking to people in the neighbourhood, that probably, at maximum, 2 percent can work and study simultaneously. Of course, a big problem is to find a job to begin with, so jobs are an essential prerequisite for that to work at all.

Mr. Chairperson: If there are no other questions or comments, I thank you very much, Mr. Hammond, for your presentation this evening.

I will call Dale and Larry Walton, private citizens; Jean Altemeyer, private citizen; Sheila Weir, private citizen; Michelle Forest, Urban Women's Working Group; Shauna MacKinnon, private citizen; Liz Wolff, Children's Home of Winnipeg - Training Resources for Youth; Bill Sanderson for Winnipeg School Division No. 1. My information is that you are substituting for Mary Ann Mihychuk. Is that correct, Mr. Sanderson?

Mr. Bill Sanderson (Winnipeg School Div. No. 1): Yes, I am.

Mr. Chairperson: Do you have a written presentation for distribution?

Mr. Sanderson: Yes, I do.

Mr. Chairperson: You may begin when this is being distributed.

Mr. Sanderson: I was here this morning, hoping to go through this presentation. I was enjoying the wonderful weather out there this evening, and I rushed out here. So I sympathize with you guys wearing your suits; that is what I am saying.

I will read here what we have put together as a board, and I will add my own comments in there as well.

On behalf of the Board of Trustees of the Winnipeg School Division No. 1, I would like to express our appreciation for the opportunity to appear before the Law Amendments committee in regard to Bill 32, The Social Allowances Amendment Act. If passed, this act would eliminate the student category under the Social Allowances Program.

The members of the Board of Trustees of the Winnipeg School Division No. 1 appreciate that the provincial government is attempting to deal with a major financial deficit and must make difficult decisions. However, we are convinced that eliminating the student category under the student social assistance program is not the decision that will achieve your goals. I guess I am one of the many who are saying that this is not long-term planning by any means.

As indicated in our letter of April 20, 1993, approximately 1,000 students in the Winnipeg School Division have been identified as presently receiving social assistance, and approximately 50 percent of these have indicated they will require to leave school if no assistance is provided. The majority of these young people have previously dropped out of school, and when they realized how difficult it was to obtain employment, returned to school to improve their education and skills.

I should add at this point that many of these individuals did not, by choice, leave high school. It was for varying factors: because of poverty, because of broken homes, specifically because of poverty, which is quite high. This is a program that is highly needed within our student population in the Winnipeg School Division No. 1. In my view, if you do decide to pass this particular bill and eliminate this particular program, it is essentially a perpetuation of poverty within our city of Winnipeg and predominantly within the Winnipeg School Division No. 1 student population as well.

Students who choose to continue their education will not qualify for provincial or municipal assistance based on the requirement of having to be available for and actually seeking work. In the news release—it is unfortunate that the Minister of Education and Training (Mrs. Vodrey) is not here tonight—the minister responsible is quoted as

saying—maybe that is a good indication of how important this is this evening.

Point of Order

Mr. Gilleshammer: On a point of order. I would just like the presenter to know that the Minister of Education did spend the morning here listening to presentations and has other duties this evening that make it unable for her to be here.

Mr. Chairperson: I thank the honourable minister. He did not have a point of order.

* * *

Mr. Chairperson: Would you proceed, Mr. Sanderson.

Mr. Sanderson: In the news release, the minister responsible is quoted as saying: Our very difficult financial situation has forced some decisions we would have rather not made, but by making them now we will be better able to ensure that the vital services vulnerable Manitobans need the most will continue to be available and effective.

That is one statement, if I ever heard one. How can a government be forced—is my only question—to attack the poor? You cannot be forced to attack the poor. I have put my own little analogy to this particular statement. It is like you have a gun and you are aiming it at somebody. You have the gun aimed directly at this person's heart. You are saying you are forced to pull the trigger because you do not have a choice. You pull the trigger, and you tell this person, I will help you to continue to live, even though I know you are dying. What a statement.

It is the position of the members of the board of trustees that these students are the vulnerable Manitobans who require these vital services. It seems ludicrous that in their efforts to better themselves and develop employable skills that will eventually remove them from the need for social assistance, they are essentially being penalized and forced into perhaps longer-term financial dependence on social assistance.

* (1950)

In the Speech from the Throne on November 26, 1992, it was stated: "My government realizes that education and training are the keys that unlock the world of opportunity and future of economic growth and prosperity. To this end, my government will chart a course to equip Manitobans with the

knowledge and skills they require to meet the challenges of a new century."

My question here is, what Manitobans are you referring to? It is obviously not the disadvantaged in our city. If this is, indeed, the official position of the provincial government, the decision to eliminate the student category under the social assistance program is obviously contradictory.

We understand that the student social allowance will continue to be available for single parents, and we are grateful for this concession. However, again we find this to be a paradox, both with respect to the right of the need for nonsingle parents and nonparents on social assistance to receive an education and develop employable skills.

The Winnipeg School Division is as concerned with accountability and the effective use of resources as the provincial government. However, to date, we are not aware of any data that would support the view that Student Social Allowances Program is not and was not an effective program and good use of resources. To make a decision on dollars and cents while ignoring the important social implications is not decision-making process.

Education is critical to the success of people freeing themselves from the need for social assistance. In our view, the Student Social Allowances Program has been needed, beneficial to most recipients and successful. The program is a long-term investment and should be continued. That is our view.

The division would like to offer or contribute to alternatives that would allow students on social assistance to continue to attend school, but unfortunately we are hampered by other provincial government decisions that have placed financial restrictions on a division.

We would be prepared to meet, however, to review options of these students and to provide whatever assistance we can.

In conclusion, we would respectfully request that you consider your decision to eliminate the student category under the social assistance program.

That is it for the particular submission.

Mr. Chalperson: Thank you very much, Mr. Sanderson, for your presentation. Are you prepared to enter into dialogue with committee members?

Mr. Sanderson: Sure.

Mr. Martindale: Thank you, Mr. Sanderson, for presenting a brief on behalf of Winnipeg School Division No. 1. It seems to me that, if students who have already dropped out of school and have gone back to school, are now being told that they cannot continue—I think that is the message to most of them—that they are really receiving a kick in the teeth. Would you agree with that?

Mr. Sanderson: The analogy that I used with the gun, I think, is straight to the point. It is defeating them. It is kicking somebody when they are down, in a big way.

Mr. Martindale: Mr. Sanderson, are you aware that this same Minister of Family Services (Mr. Gilleshammer) eliminated funding to 56 nonprofit organizations, including 14 or 15 Indian and Metis friendship centres and the Manitoba Anti-Poverty Organization, and that he is the sponsor of this bill to eliminate the Student Social Allowances Program and that his government has made cutbacks to ACCESS programs like the Winnipeg Education Centre?

Do you think that this government is targeting inner-city residents, poor people, aboriginal people, women, immigrants, the poor?

Mr. Sanderson: I will use a comment that was used by one of our people, meaning the aboriginal community. An elder made a comment with reference to payback time. Predominately, the population that is on social assistance are aboriginal students. We have identified a large percentage of them in our school division; 33 percent of our school division does comprise of aboriginal students.

But getting back to the comment, regarding Meech Lake, regarding all the points that the aboriginal community has worked against that does affect in the long term, it is payback time, I guess. This is why we are being regressed into poverty again. We are slowly, slowly, as a people, gaining some ground with regard to playing your game, if you will, and I guess that is what is happening in a big way. The best way to kill the people who are wanting to play the game is not to give them the tools to play the game.

Mr. Martindale: Does your school division have any statistics on how many of the approximately 1,000 students who were on the Student Social Allowances Program are aboriginal?

Mr. Sanderson: We have some statistics. We could very easily get the statistics if that is required, but I do not think that is the issue here. The issue is a lot of our students are affected.

Mr. Martindale: The Speech from the Throne talks about economic growth and prosperity and links that to education, and you say that by cancelling the Student Social Allowances Program that this is contradictory.

Do you have any idea why then that this government is doing this?

Mr. Sanderson: I have a good idea, but I think it is pointless to mention. I think, as it was earlier stated in the presentation, a responsible government, as they have mentioned within their statements in the media, is actually being forced to attack the poor. It is as simple as that.

Mr. Martindale: At the conclusion of your brief, you said that you are prepared to review options for these students and provide whatever assistance your school division can. Does that mean that your school division might be prepared to pick up some of the expense of allowing these students to continue in school or that you would be willing to co-operate with the provincial government to work out some sort of agreement, or what did you have in mind?

Mr. Sanderson: We have met already with the Minister of Education (Mrs. Vodrey) and the deputy minister, not only on this particular issue, but on the 2 percent cap, for example. We also corresponded with the mayor of the City of Winnipeg.

We are prepared to assist our students; however, with the budget that we are faced with, the continual cutbacks that we are faced with, we need the provincial government's assistance. We do not need to get kicked in the teeth any more times than we have already. We are prepared to sit down. We are prepared to do anything to make this work so that we can maintain these students in school.

Mr. Martindale: What did the Minister of Education say about the Students Social Allowances Program? Or did she refer you to the Minister of Family Services (Mr. Gilleshammer)?

Mr. Sanderson: There was a cross-reference, if I recall correctly.

Mr. Martindale: I am sorry I missed that. You said there was a cross-reference.

Mr. Sanderson: Yes. We have corresponded as well with other ministers. We are trying diligently to work something out. We do not want to see these cuts come through.

* (2000)

Mr. Martindale: In your correspondence, I presume, with the Minister of Family Services, what did he say? Were you asking to not have these sections of the act repealed, and what was the answer?

Mr. Sanderson: The answer is quite similar. We will work and strive toward the betterment of Manitobans. My question is, which Manitobans are we talking about?

Mr. Martindale: So do you believe that we are talking about the most vulnerable Manitobans here or some of the most vulnerable Manitobans?

Mr. Sanderson: Yes.

Mr. Martindale: Have you seen correspondence from the minister that talks about protecting the most vulnerable Manitobans or making decisions in order to provide monies for the most vulnerable Manitobans?

Mr. Sanderson: I have not. If I recall correctly, I have not.

Mr. Martindale: Okay. So you would find that it is contradictory to talk about protecting the most vulnerable and then eliminating the Student Social Allowances Program. Thank you, Mr. Sanderson.

Mr. Chalrperson: If there are no other comments or questions for the presenter, I thank you very much, Mr. Sanderson, for your presentation this evening.

I call Alan Daly, private citizen. Do you have a written presentation for distribution?

Mr. Alan Daly (Private Citizen): No, I do not.

Mr. Chalrperson: Okay, that is not necessary. You may proceed when you are ready.

Mr. Daly: My name is Alan Daly. I am one of these people we are talking about tonight. I am a graduate of the Winnipeg Adult Education Centre, a graduate of the University of Winnipeg, and a former recipient of student social allowance.

I am here tonight to talk to this bill because I feel very strongly about it. I am not naturally a speaker. I am not naturally someone who gets up to express his opinion in a public forum. This is all new to me. I spent 20 years in the construction industry, and

that is not what we generally do there. My life has changed quite radically in the last five years.

Basically, what I want to do tonight is to tell the people here how the student social allowance helped me to change my life and how it has helped me to turn things around.

I hear the talk that it is possible to go back to school and make reconciliation with your parents. When I was 16 years old, I left school because I came from a very large family and financial resources were extremely limited. For that reason, and others which I will not bother to get into, I left school. I just got tired of being poor. At that time with a Grade 10 education one could get a job and live all right, and that is what I did.

In the next 20 years I worked here and there in the construction industry. I was in and out of employment. I had dealt with various personal problems and, as a result, in 1988, I found myself in a very poor position. My health was failing, and I was near the end of my rope. It was a hard time for me. I had to make a decision. The decision was how I was going to turn my life around. It was suggested that I complete my education, and if I could do that, maybe I would become more employable. So this is what I did.

I went down to the student orientation at the Winnipeg Adult Education Centre. I listened to the presentation. I said, okay, I am going to give this a try. It is pretty scary, but I think I can do it. I signed up, and I did it. I did it, and I did it damn good. I completed my Grade 12. I won a scholarship to the University of Winnipeg, the University of Winnipeg Alumni Entrance Scholarship.

I had three very good years at university in a large part due to the training I had received at the Winnipeg Adult Education Centre. I was schooled in study skills that enabled me to do superior work at the university level. I won several awards, and I had a very profitable and positive experience at the University of Winnipeg, which would not have been possible had I not been able to complete my high school education.

I met many other mature students at the University of Winnipeg. Some had come through the Winnipeg Adult Education through Student Social Allowances Program, had improved their study skills and did all right. Some did better. Some did not quite so good, but they were doing fine. Other students had come straight in, had not

been to school in a long time, had not had the chance to develop study skills, had a very hard time maintaining the C average that is required of a mature student if you come in on mature student status.

As a result, I did quite well at the university, and now I have accepted a position teaching at Keewatin Community College in Thompson, a position that pays quite well. I was listening a lot about financial responsibility today, and I had kind of a hard time with it. Based on my situation, I received approximately \$7,500 in student social allowance in my year and a half at the Winnipeg Adult Education.

I estimate my income over the next 20 years as instructor without cost-of-living allowance increases, to be in the neighbourhood of \$800,000. I estimate my income tax to be paid on that \$800,000 to be approximately \$250,000. I estimate the provincial share of that income tax to be about \$100,000. So, when I think of \$7,500 investment paying back \$100,000 in a 20-year period and when I hear comments about fiscal responsibility, I have trouble making those ends meet. For me, that is very hard.

The biggest thing I wanted to talk about tonight was the word "hope." I heard the word "hope" this morning over and over again. When I first came back and I thought I had student social allowance in the bag, it was okay. You can come in; we will accept you. Being accepted was very important to me. Two weeks into the term, my first term, I was told there was some problem with my student social allowance application. There was some question as to my qualification for it. I can only describe to you the feelings that I had at that time. At that time I became quite despondent. I walked into the Portage Place shopping centre and sat down. I looked so bad that an absolute stranger walked up to me and said, is there anything wrong, sir? This does not happen every day, but this is how bad I looked and this was how bad I felt.

When I read in the paper about 1,000 students having the rug pulled out from under them and I take my feelings of that day and I multiply it 1,000 times, that is a great deal of pain.

I heard a discussion of role models. For me this is particularly difficult. I have six younger brothers and a younger sister. Two of my younger brothers are on welfare, one due to a bad back that he hurt

while in the workforce. He was kind of watching me as I went through my education. We was watching me close. As I got near the end of my final year, which is this year—I just graduated from the University of Winnipeg last month—he was saying, you know, I think I could give that a try; I could do that. Then this came along. He asked his worker, will I be able to go back to school like my brother? She said, no, and there was the pain again. That is the hardest part.

So I only recommendation to this committee is to scrap this bill, because it takes away hope. It takes away people's voices. My speaking is not great yet, but it has come a long way in five years, and I expect it to come a lot further in the next five years.

* (2010)

When we take away the opportunity for someone to get an education, we take away their hope, and we take away their voice. This bill takes it away from the people who need it the most, the people who have never had it.

Again, my only recommendation is to scrap this bill and help the people who want to help themselves. Thank you.

Mr. Chalrperson: Thank you very much, Mr. Daly. You express yourself very, very well. Since you have been here this morning, you realize that committee members do like the opportunity to interact with the presenters. Are you prepared to do that?

Mr. Daly: Yes, I am.

Mr. Chalrperson: Are there any questions or comments for Mr. Daly?

Mr. MartIndale: Thank you, Mr. Daly, for appearing. I think many times the best presentations are oral because people then are speaking from the heart. You have certainly done that this evening.

I do not really have any questions for you, because I do not think I could improve on your presentation. I think I would just like to thank you for appearing and telling your story and making the point that people who are getting an education have hope, and this bill takes it away and, as somebody this morning said, leaves people in a feeling of despair. Thank you.

Mr. Chalrperson: If there are no other questions or comments for the presenter, I thank you very much again, Mr. Daly, for your presentation.

Rob Bray, private citizen. Your written presentation is being distributed, Mr. Bray. You may begin when you are ready.

Mr. Rob Bray (Private Citizen): Pardon the presentation. I put it together this afternoon, so it is full of typos and grammatical mistakes. I look like I never went to high school.

Although I have been offended by various pieces of government legislation over the years, from governments of all political stripes, I have never attended or made a presentation to a legislative committee before. So please bear with me if I stumble or do not observe all the forms. Incidentally, I would like to thank the members of the committee present for taking the time to hear us. Unlike many of the people these days, I have a certain degree of sympathy for politicians who must spend so much of their lives sitting around interminable committee meetings.

Anyway, in the past there have been bills that were shortsighted, counterproductive and even cruel. But I have always before had some glimmering of the reasoning, the policy principles, or the logic, however twisted, behind a particular bill. The reason I am here today is that I find this bill to be an exception. It is absolutely asinine. I can find no purpose, however objectionable it might be, that this legislation would serve.

I should begin by introducing myself. I am not now, and I have never been, a recipient of student social allowance, nor am I a teacher or in any way connected with the school system. I do not stand to gain or lose professionally through this legislation, although it will make my job harder.

I work in a downtown social service agency of the International Centre, and my job involves trying to get people off the street and into employment, which very frequently means going to school first. I will return to this matter at the end of my presentation.

This legislation has its greatest financial impact on me as a taxpayer. I must make it clear that I fully understand and, indeed, sympathize with the government's desire to cut expenditures. The recession has affected me personally, and I have had to cut my own expenditures. As a taxpayer, then, I agree that the government must make what savings it can, although frequently I suspect that the cuts are not being made in the right places or in the right way.

Now, there is a very common and usually true argument made in the defence of most social and health care programs when they are under threat that, although they cost money now, they will save the public purse a great deal more in times to come. While this is most certainly true of Student Social Allowances, I also understand that in hard times not every such expenditure can be made. I myself would love to pay off my mortgage, and I cannot.

So, then, I do not object to the end of Student Social Allowances solely or even primarily on the grounds that it is shortsighted, cruel, and counterproductive, although these things are all certainly true. What I really object to is that all of this is being done in the name of saving some money, and as far as I can see, no real savings are being made. Indeed, the decision incurs a very real possibility of increasing the drains on the public coffers—that is, on my tax dollars.

I understand that the government claims that the termination of Student Social Allowances will save some \$4 million, that is, the cost of the program. This is, of course, nonsense. The ex-recipients are not going to disappear, and virtually all will go onto, or rather return to, the provincial or city welfare rolls. Anyone who professes to believe that something over a thousand, poorly educated, and long-out-of-the-workforce job-seekers are going to get a job, now that their free ride on Student Social Allowances is over, is either the worst kind of lying hypocrite or living in an absolute dream world, or both.

It is true that this bill results in some fairly trivial savings to the provincial budget, I suppose. Those of the former recipients of Student Social Allowances who were nondisabled, nonparents, that is, the “employables” in the rather optimistic welfare terminology, will go onto city rather provincial social assistance. There, although the federal government will pick up 50 percent of the cost of their stipend, the city will now be responsible for 20 percent.

In these cases, the province will see some savings then, although much of the city's budget comes from the provincial government one way or another anyway. It seems mostly to be some sort of financial sleight of hand. In any case, since everybody's budget comes from me, the taxpayer, the sight of governments achieving savings by offloading programs amongst themselves is hardly

edifying. From my point of view, this is no saving at all.

There are, I suppose, some savings to be made by axing the jobs of those who used to administer this program, and to be frank, I find it hard to object to this. I never understood why it took a separate program, with separate administrators in a separate office, with separate letterhead, and separate phones, and everything, to simply issue cheques to confirm school-attending welfare recipients anyway.

In any case, given the provisions of the MGEA contract and usual civil service practice, few of these people will actually be taken off the public payroll. They will be transferred; research or policy analysis or communications work or something will be found for them to do. So there is not much saving here either.

The only real savings I can identify lie in two areas. First, a good number of student social allowance recipients were parents, often single mothers, who utilized government subsidized daycare spaces when in school. However, as the government just reduced and capped the number of subsidized spaces anyway, the saving here has probably evaporated.

The other area lies in the cost of the education the student is actually receiving. The tuition extracted from many of these students, which many made up simply by skipping eating, which shows a certain dedication, I suppose, covered a very small proportion of the real cost of educating them. Student social allowance recipients made up a very small percentage of the total number of students currently in the provincial school system, but kicking them out of school does, in fact, save some money. It might have been kinder and more efficient, though, to simply close a few schools or limit the number of students the province would undertake to educate each year.

As a taxpayer and, indeed, as someone who works in social services, I hate welfare. It is probably one of the least productive things a government can do with our money. In many ways it is simply pouring money down a rat hole. It solves few problems and helps no one change their lives. In many respects I resent paying for it, although I recognize, as do we all, I hope, that it is absolutely necessary.

The effect of this bill, however, is to maintain and, in the future, expand the number of people it must be paid to. The bill, in fact, has the result of quite explicitly enforcing the futile nature of welfare support, as it will have the result of actively denying people on welfare the opportunity to get off it.

We must have a clear understanding of what will happen if this bill becomes law. Motivated, realistic people, determined to become contributing rather than dependent members of society will be forbidden to attend school full-time, although the schools will remain open tantalizingly out of their reach. Should they enroll, they will be punished by being thrown off their only means of support, their food and rent money, until such time as they give up their dreams and withdraw from school.

One of the larger groups taking advantage of this program has been immigrants. Now, I work in an immigrant settlement agency, the International Centre, and from time to time I get an earful from members of the public and, indeed, from some in my own family about the supposed extra benefits that immigrants get. In the case of student social allowance, most of the immigrants, that is, independents and those sponsored to Canada by their families, are not eligible for welfare and hence could not receive student social allowance.

The only immigrants eligible to take advantage of this program were refugees, that is, people who did not seek to come to Canada to enrich themselves, but people Canada took in, as their only alternative to persecution or death. Although many of these people are poorly educated, they are very grateful to be here and, by and large, wish to stop being a drain on society, as they often are, and instead become contributors. This bill slams that door shut.

This affects very real people. I know of a young man from southeast Asia who, when he arrived in this country, spoke virtually no English and whose education had been very limited. Last month he and his brother graduated from Grade 12 from Pierre Radisson Collegiate, and he won the Terry Fox scholarship, which is effectively the Rhodes Scholarship of high schools, only one of two Manitobans to do so. He will be attending university next year at no further cost to the public purse, thanks to this scholarship.

I also know of two brothers and a sister who might be even brighter, but they have only

completed Grade 10. Next year they will not be able to attend. At this point they are skipping meals to save enough money to pay for a couple of rather expensive night classes next year. They might be able to graduate in two or three years. I expect that we are going to have to keep on paying welfare for them for the whole period.

Another major group of recipients was native students who were trying their best to lift themselves out of the terrible circumstances so many of them face. There is a very real danger of natives becoming a permanent underclass forever dependent on the welfare system with all the terrible social costs that implies. In many respects, student social allowance represents their only way out.

* (2020)

This summer, I have been part of initiating a new inner-city project, the Central Park Outreach. We have been able to employ a few students, incidentally, three of whom are student social allowance recipients, to go out and develop a rapport with the people who habituate the park, a group made up of mostly young men living on welfare with deficient educations, histories of criminal involvement and, in many cases, substance abuse problems. We have been making significant headway in showing these people how to turn their lives around and get off the street which usually meant going to school. No longer. The message to them from the government is quite clear. The government wants them to rot on welfare.

I would like to finish by dealing with some of the questions and comments I heard this morning. I, like most of us, apparently do not understand why the government is moving this asinine bill. I heard a rumour, and I must stress it was only a rumour, that a number of PC members were sitting in caucus or wherever, at any rate out of range of advice from civil servants. Apparently, various anecdotes circulated about young people from better-off families in River Heights who dropped out of school and ran away from home, and no doubt got strange haircuts, and are now going back to school at the taxpayers' expense. Such a program was obviously a boondoggle, and then in a rush of impulse it came to be cancelled.

Now I do not believe this to be true, but some of the remarks the minister has made tend to support

something of this attitude. He has repeatedly suggested that students formerly supported by student social allowance should turn to their families for support. Now I can assure you that students from better-off families make a vanishingly small percentage of this program's recipients, but if that really is a problem it would seem to me to be more appropriate to institute a personal or parental or spousal means test, such as is used by the Canada Student Loan or was used by the Manitoba bursary program when it still existed. Cutting off the whole program seems to be a little drastic.

The minister has also suggested that those cut off could talk to their school counsellors. As a professional counsellor, I cannot imagine what he expects a school counsellor to tell them. Perhaps a counsellor could explore the students' feelings and allow them to feel a bit better about being shafted. I rather doubt much more could be done. The minister also suggested they could turn to other resources. I was mystified by this at the time, but this morning I gathered the reference was to the various GED programs around town or the adult basic education program at Red River Community College. He should be aware that the certificates offered by these programs carry no weight with post-secondary institutions and certainly none with employers. In any case, the waiting lists to get into virtually any program at Red River are prohibitive.

There was much discussion of Workforce 2000 and other vocational programs this morning as well. Let me assure you as a professional in the field from the point of view of the low-skilled unemployed person, Workforce 2000 is the least useful of a dozen or so employment initiatives I have seen from all levels of government through the years. This is deliberately so. It is employer driven, designed to assist businesses to upgrade the skills of their workforce. It can be used to train a new employee. It very rarely is. I rather doubt persons with incomplete high school educations and records of prolonged unemployment are going to fare well in a competition to secure such training against a business's own employees.

The main suggestion offered by the bill's proponents is that students can get part-time jobs or work for four months and attend school for four months. I suggested earlier that for most this was out of the question. In any case, this cuts to the heart of the matter. The real question here is not student social allowance but the social assistance

system itself. Social assistance is currently deliberately structured to keep it uncomfortable to provide incentives, as economists call them, to encourage people to get off of it and into employment. This assumes that there are jobs out there for the recipients to get. In these days, that is a very unrealistic belief.

For people with extended middle-class families and networks of middle-class friends, perhaps there are jobs, such as the young man we saw this morning, but for those who do not enjoy these supports who are trying to lift themselves off the morass of the streets or are trying to build a contributing life here in Manitoba, let me assure you there are not jobs. I do not think we need to extend our sympathy or compassion to these people so much as we need to give them room to make their own solutions. We need to do this not for their sake, but for our own. I, for one, do not relish paying welfare bills interminably into the future. I do not now nor have I ever understood why recipients of welfare are not allowed to go to school and improve themselves. I venture to guess that those who would take the opportunity to get off the hook of having to conduct a job search and go to school would be those who would find school the most distasteful and would be the least likely to remain there.

To sum up, I find this bill asinine because it does not really save money and it causes considerable suffering. In particular, I feel for those who will be cut off halfway through their educations. Essentially, it breaks the understanding those students had developed in good faith that if they returned to school they would be able to finish. Now they must face the fact that they may have actually wasted a few years of their lives.

As with many of this morning's presenters, I am somewhat cynical about this process, though I am glad to have had the opportunity to get my two cents' worth in. I would suggest to the committee that scrapping the bill is actually only the second-best solution. The best solution would be to retain the bill but amend it so in addition to the deletion of the clauses of the social assistance act that established student social allowance, the clauses that forbid both municipal and provincial social assistance recipients to attend more than two classes should be deleted as well.

Let me assure you, as a taxpayer, I do not object, for I do not think that this will result in the

government spending much more money than is already the case. It may well lead to reducing the welfare rolls in the future. Thank you for your attention.

Mr. Chairperson: Thank you very much, Mr. Bray.

Mr. Edwards: Thank you, Mr. Bray, for a very interesting presentation. You need to make no apologies for your presentation. It was very good.

I wanted to pick up on the point which—I do not know if Mr. Bray was here to hear one of the earlier presenters tonight, Mr. Gratzner.

Mr. Bray: Yes.

Mr. Edwards: It was interesting, I appreciated his comments and how he had based what he was saying on the same assumption that people can work and go to school at the same time, and that is a realistic thing for them to do. You have picked up on that in your comments, specifically, as one of the defences of this bill.

He indicated that he felt six days a week, three hours work would be sufficient to replace the income. Just as a matter of fact, I took the opportunity during the last two presenters to review the legislation. My conclusion is quite different, based on the law which I calculate about a \$588 per month entitlement. I am taking that is a sole person living alone in these circumstances, which at minimum wage of even \$5 equates to 29.5 hours a week.

Do you think it is in any way, in your experience with these real people who live in this circumstances, realistic that even if they could find a job at \$5 an hour they can go to school successfully and work 30 hours a week?

Mr. Bray: Let me preface this by saying that by profession I am an employment counsellor. A good chunk of my job is not even counselling people but in fact finding jobs for people. Calculations of this kind I think are pretty much irrelevant and theological. You cannot get a three-hour-a-day job right now. If you have not worked for two years, your English is shaky and you have no education.

Whether you might be able to make ends meet on it or not and keep your books together—well, there are people that seem to be able to do damn near anything in this world. The man who presented before me was certainly an extraordinary

individual. Something that has to be borne in mind, however, is most of these people on student social allowance are not extraordinary individuals. They are very ordinary individuals, and they are starting late. They will go on, but they are not going to go on and become doctors or cabinet ministers. They are going to be lucky to become secretaries and shop clerks.

I do not know how well they would do under that kind of regiment. I hate to speculate, because in fact that kind of situation is frankly impossible right now.

Mr. Edwards: I agree with what you say. I just think it is interesting that the basis upon which this bill is defended is based on improper facts most of the time, and even the defence that you can somehow do this based on 18 hours a week, which seems reasonable at the outset, but it is just not reality.

I guess my other question for you, in your position, aside from the effect of people not having the ability to continue their education and the comments you have made about that, what is the psychological impact on these people of essentially being told that their education is just not that valuable to society?

* (2030)

Mr. Bray: You have to realize this group of people are not a homogeneous mass. They have widely varying responses. Some of these people are perfect little Horatio Algers, and they will go on and get their education one way or another, if they have to sell drugs on the street to do it. And the minister, if he goes ahead with this bill, will have three or four really lovely stories in a year or two because there are some people like that.

There are people that have just managed to lift themselves out of conditions that I can only equate with hell and are very fragile still, and this may very well crush them. I am not a psychologist, I am an employment counsellor. I do not really know. It is the best speculation that I can give you.

Ms. Friesen: I think you stressed in your presentation the difficulty of finding a job, and I wondered if you could give us any further evidence on that. It does seem extremely difficult to convince the government that the jobs for people in Winnipeg or elsewhere in Manitoba with a Grade 10 education are very few and far between. I mean, I would put it more strongly than that, but I

am trying to find a way to convince them that the suggestions that they have for these people are simply not feasible.

I dealt with those questions with an employment counsellor this morning, and I would welcome whatever you can add to that that would help us convince them of that.

Mr. Bray: Well, I can give you anecdote after anecdote, but I think the only thing you really have to do—and I cannot believe the government has not done it—is to look at the rate of growth of the city welfare rolls. I understand now there are over 20,000 people living on welfare. Last year there were 17,000 living on welfare. A few years ago it was below 10,000. What else do you need to know? I mean if there are that many people on welfare, they cannot all be alcoholics.

Ms. Friesen: One thing that might be useful is to know the education level of those people. Are any of those people who cannot find jobs and on welfare, do they have a Grade 12 education?

Mr. Bray: Yes.

Ms. Friesen: Do some of them have university education?

Mr. Bray: I hired a guy to work on my park project this summer. This guy had a Ph.D in psychology, and he was on welfare. I mean, yes of course, many people are educated. I know lawyers that are on welfare right now. I mean, God help us, we know what kind of shape that society is in then, right? But I mean things are really tough. I do not know what I can tell you to convince you of that. If you have not gone down to the Canada Employment Centre, you should, and look at the people standing in line. It is quite a sight.

But, I do not know, one of the things I was a little put off by this morning was this hearing got a little partisan from time to time, and if this was a normal partisan matter with Conservatives rolling back social programs or whatever, I probably would not be here. I do not think that this is an evil Tory plot. I really do not. I think somebody made a mistake. I think somebody made a really bad mistake, and I am scared when you guys on the other side of the table start making it more of a partisan question, because then people's backs are going to get stiffened and this horrible mistake might be perpetuated, because there is no purpose served by this bill. There is no saving. If there was money being saved, I would not be here. I would be

unhappy, but I would not be here. But this is a mistake. Please, somebody convince me otherwise.

Ms. Friesen: Thank you, because that thought has crossed all of our minds, because it does not make sense in the long term, it is counterproductive in terms of education, and in terms of the numbers of people involved in this program and the amount of money that was being spent. It does, it boggles the mind. It baffles the intelligence, I think, and certainly I might be more inclined to attribute more to Tory ideology than you are, but certainly the idea of this particular program really was one of the most unexpected ones to have been cut. What I am trying to do is to find ways to show the government that in fact the solutions that they propose for these thousand or more students are simply not feasible.

So I welcome your additions on the experience of people who are on welfare at the moment and the education levels they have, and the opportunities for people with a Grade 10 education to find the kind of employment that the government anticipates they can find and that they believe will give them the opportunity to go back to school.

I wanted to pick up on a couple of things from your paper, one of which was the adult basic education programs. Are you aware that the government has also cut many of those programs in the city of Winnipeg?

Mr. Bray: There are a number of GED programs. The feds fund quite a few. I wish they would not because you get everybody's hopes up to take GED. They come out the other end with their nice, shiny certificate, and it might as well be toilet paper. Nobody cares.

The ABE program at Red River Community College is actually an excellent academic program, if you can get into it. When you come out the end of that, the only thing it is good for is going to Red River Community College.

Yes, there have been cuts in that area, but then again I did not come to protest them, because I do not agree with them, but there is logic behind them. There is money to be saved there. That is why I came tonight. There is no money to be saved here, folks.

Mr. Edwards: I just have one more question. One of the things that you talked about was the feeling that this might be for kids who had gone wayward from wealthier families and that this was somehow

a way to get their parents to take some responsibility for them and pay, and I am all for that.

What strikes me—again it has been interesting in the last little while to read through this act again because there is specific provision for the ability of the parents to pay being taken into account to reduce or eliminate any student social allowance that was paid. To that extent it is bizarre to me that that is even considered in this debate, because it is available to the government to deal with that. I do not understand why it is an issue at all. I do not see that in your brief. Were you aware of that, that they in fact have the ability to do that anyway?

Mr. Bray: Yes. Now as it currently stands that ability is not quite what you might expect, because if you are legally an adult your parents are not responsible for you. Under the student loan program your parents still are until you are 24 or so, so it would require some legislative changes, I expect, to extend that amount of parental responsibility. Currently, as long as you are a minor, parents do get hit with the bill.

Mr. Edwards: Just for clarification, I agree with that. What was interesting to me is that the specifics that deal with ages and those types of things appear to me to be in the regulations.

Mr. Bray: The way they are currently enforced by the boys down at the office, and I know them well, they do not do that.

Mr. Edwards: I understand that. My only point was that by being in the regulations, as you may or may not be aware, it is the minister's prerogative to change it.

Mr. Chairperson: Are there any other questions or comments? I thank you very much, Mr. Bray, for your presentation this evening.

Mr. Bray: Thank you.

Mr. Chairperson: Leigh Blackwell, private citizen. Ms. Blackwell, you have a written presentation that is being distributed. You may begin when you are ready.

Ms. Leigh Blackwell (Private Citizen): I want to thank you all for the opportunity to come and express my views on this bill.

Myself, I have worked at a Canada Employment Centre for approximately 10 years now. I am in special investigations. When we get into it I will—after my presentation.

Today I speak to you here on my views. In January of this year, 36,000 Winnipeggers were unemployed and more than 11,000 households were living below the poverty line. This situation has only worsened in recent months.

A mature student at the University of Winnipeg stated that approximately 1,200 people are trying to finish high school in Winnipeg. What are their options if they do not have this program?—get a job. You have the opportunity tonight to ask me. I work there.

Stats Canada reported Manitoba's unemployment rate increased with 51,000 unemployed Manitobans in April of this year, 5,000 more than the previous month. By having the opportunity of obtaining a higher education in our ever-changing labour market strengthens our economy. When people are working, they are spending money. It is a domino effect and everybody benefits.

By passing Bill 32, I can see an increase in crime, and we all know how expensive and timely our justice system is. It would be a no-win situation for anybody.

Last month, a statement from the United Nations urged countries and communities to guarantee education because this is our future and that is our hope.

If we continue on this way of thinking, our province will be a fifth world country, never mind the third and fourth.

I had also attached at the back—a student who could not be here today who did attend, as the previous gentleman did, at the Adult Ed. She was close to tears when she heard what they were going to be doing. She asked me to submit: "The student social allowances has allowed me to complete my high school education in a reasonable time at a very reasonable rate. This has opened up further education and more job opportunities for me." She is a former Winnipeg Adult Education Centre student. She is hoping to get into pharmacy.

I also would like to make mention that there was—the gentleman that was sitting to the right there—a statement made that we are the only province to have this program. Someone has to make the footprints, and I am proud to be from Winnipeg. If we do it, I am proud. We do not have to apologize. Do we have to wait? I think it is

honourable to be first. We might make mistakes, but people are going to follow. Thank you.

Mr. Chairperson: Thank you very much, Ms. Blackwell.

* (2040)

Mr. Martindale: Thank you, Ms. Blackwell, for coming and making a presentation, particularly so that we might ask questions from someone with knowledge of the job market, because we have not had anybody with your particular kind of expertise yet.

I would like to ask you, what is it that you do at the Canada Employment Centre?

Ms. Blackwell: Right now I am in special investigations. I am doing the fraud and the people who have misused our system. I do all of Manitoba.

Mr. Martindale: Do you think that there are no jobs for job seekers, or do you think it is the case that there are no jobs for high school dropouts or very unlikely that high school dropouts or young people who have not finished high school or 18- to 24-year-olds who have not finished high school will get a job? Maybe you could tell us in a little bit more detail what you think their job prospects are if any?

Ms. Blackwell: None. In all honesty, none. If there is a job, it is for part time. It is minimum wage, and maybe 50, 60 people will apply.

Mr. Martindale: What kind of qualifications are those employers looking for, and whom are they most likely to hire?

Ms. Blackwell: People with a higher education. The only positions that people with minimum Grades 8 and 9—I had a gentleman, 24 years old; he filled out his cards as he was told by a friend. He cannot read or write. Am I going to penalize him because he cannot read or write? He just started, I think it was, in '92. September of '92 to June of '92, he went to take, at the Adult Education, basic English and reading.

Mr. Martindale: When you say employers are looking for higher education, what do you mean by that? Do you mean a minimum of Grade 10 or Grade 12?

Ms. Blackwell: No, I would say, at a minimum, they want university. Even the government is looking at that now. It used to be a minimum, but I can assure you, you will not get into the workforce

with anything less than a university education in a reasonable job, and where we are heading for now is part-time work, not getting a full-time job, having a part-time job.

There is no full-time job. People were talking today, and I was sitting over there. It was so hard for me to sit here and listen to people saying a full-time job. We have contracts. We do not have benefits. People are going to have to pay their own benefits if they are not being insured or they do not have insured earnings. They have to go to Revenue Canada and make their own arrangements. Health care, the same thing. They have to go and obtain their own.

Mr. Martindale: What kind of part-time jobs are available? Are we talking about jobs at fast food restaurants or—

Ms. Blackwell: Basically, the service industry, I would say. There is not that much there because a lot of them are closing and going bankrupt. The restaurant next door to where I work only opens at 11:30, stays open until two. Then they close down, and they open up for supper.

Mr. Martindale: What kind of wages are offered in the service industry generally?

Ms. Blackwell: Minimum wage.

Mr. Martindale: Do you think it is realistic for a student to go to high school full time and work part time? Do you think it is doable?

Ms. Blackwell: No.

Mr. Martindale: The reason for that would be—

Ms. Blackwell: Depending upon the individual, and like the people who are going to Adult Ed, they are usually mature. They were saying it was between 28 and 32 years of age. It is a little bit more difficult to get back into the school because the children today, when I was in Grade 7, I am sure they are Grade 9 or 10 level now for what they give and what they have to learn.

Ms. Friesen: One of the questions that I asked the minister in the House today was to see if he could give us some idea of what a budget would look like for somebody who was following his suggestion that they take one year full-time work, or a six-month period, or a year and then take an equivalent amount of school the following year or six months. At minimum wage, it is very unclear to me how one can generate the extra savings. One has to live at the same time, get to your job, have all

the equipment that you need for the job, and then you have to save on top of that in order to provide for yourself totally for the next six months. Would you have any idea of how a budget for that would look?

Ms. Blackwell: In all honesty, no, I could not say that. I could not see somebody leaving the school, going into the workforce and then going back, because as we know, yearly, it is changing, our economic conditions, the way that we do things.

When people go to look for a job, they have to have a half-decent wardrobe. It does not matter, they cannot go in blue jeans. Some of the service industry does not allow people to wear blue jeans. One of the gentlemen today said that—I do not remember his name, he is the president of the University of Manitoba. I wish that all of our students could have what he has, but in reality there are some people who are going to second-hand clothing stores to get clothes, not that there is anything the matter with that, but they just cannot afford. If somebody does try to get into a workplace without the proper wardrobe, they are going to be very much intimidated.

Ms. Friesen: The suggestion of a six months on, six months off kind of program, or a year on, a year off, I know that certainly co-op education works that way, and in times past employers might have looked on that well. Can you give us any idea of how employers would look on that now? Would that be a checkered work career, or would it be something that employers would look kindly upon?

Ms. Blackwell: I do not really think so. Some employers are having difficulty giving parental leave after the 15-week maternity. Some employers have actually fired women who have asked for the extension of the 10-week parental leave after their maternity benefits have paid out.

Ms. Friesen: I do not have any other questions, but I know that you were here early this morning, so I wanted to thank you for staying so long and coming back. Thank you.

Ms. Blackwell: Thank you.

Mr. Chalrperson: Thank you for your presentation, Ms. Blackwell.

I will call Paul Johnston, Manitoba Coalition on Children's Rights.

Mr. Johnston, your written presentation is being distributed. You may begin when you are ready.

Mr. Paul Johnston (Manitoba Coalition on Children's Rights): The Manitoba Coalition on Children's Rights is a group of organizations and individuals which supports and advocates for the rights of children as described in the United Nations Convention on the Rights of the Child. Article 28 of the convention recognizes the right of the child to education.

Given the need for long-term planning to successfully achieve educational goals, the decision to end the Student Social Allowances Program will have a serious impact on educational opportunities available to the group of children who relied on the Student Social Allowances Program to complete their high school education. Our purpose here today is to present information that is important to consider in making this decision.

Who are we talking about? The current number of people participating in the Student Social Allowances Program has been estimated at 1,100. Of this number, approximately 45 percent are under 20 years of age; 25 percent, 20-24; 30 percent are 25 years or over. Of the 1,100 students currently identified as being on student social allowances, only about 25 percent of them would have access to other support. An example of this would be a single parent who would continue to be eligible for provincial social assistance while attending high school. This leaves 75 percent, or over 800 students without support.

Harold Gillshammer, the Minister of Family Services, had suggested the following and I quote: "I indicated one of their alternatives, . . . would be to live at home with their parents. Others who perhaps have other circumstances will have to be involved in finding other solutions to that situation."

For those who need to rely on the safety net offered by this department, there are other options that they can access. Along with the information, we have provided a copy of the Student Social Allowances Program application guidelines.

To qualify for assistance, applicants must have explored all other potential resources. The Student Social Allowances application requires detailed disclosure of all personal resources and these are taken into account in deciding eligibility. Surely, a logical conclusion is that all other options have been explored prior to qualifying. For most of these students, the end of the Student Social Allowances

Program means no support for continuing their education.

Another misconception regarding the Student Social Allowances Program is that 18-year-olds were leaving home simply to be financially supported by the program. The application information clearly states that anyone under 22 years of age who has not been a full-time member of the labour force for a minimum of two years needs to include a parental income statement. People could only qualify for Student Social Allowances if their parents could demonstrate an inability to provide support.

One group who could qualify at 18 were wards of Child and Family Services agencies who were involved in a school program. There were problems in the parental home serious enough to warrant the province removing them and providing alternate care. Our information is that during the 1993-94 school year, over 200 wards of Winnipeg Child and Family Services currently attending school will be turning 18. Is there no support for them to complete their education? I would like to expand on that point at the end of my presentation.

Qualifying for Student Social Allowances was not an easy process. To suggest that these people can simply return home to live with parents or rely on other options when these options have already been explored is unrealistic. People on Student Social Allowances faced a careful screening and monitoring process. Rather than it being an option, it was their only hope for continuing their education.

Are there similar programs in other provinces? Attached is information regarding other provinces' programs to support people with a demonstrated financial need and a realistic plan to further their high school education. Most other provinces have programs to provide support particularly for students over the age of 18 continuing in a high school program. Each province has a program that is unique to its province, but I think the information—my reading of it—if we include Manitoba, seven of the 10 provinces have some way of allowing people to make a case if they require financial support to continue their basic high school education.

* (2050)

Why continue the Student Social Allowances Program? Completing high school is a key to employability. Who has not seen the stay-in-

school advertising? Today, more than ever, people need to be supported in acquiring the tools they need to find jobs so they do not have to rely on social assistance. Continuity is extremely important in completion of high school. It is easier to complete a program than to end it partially completed, planning to return sometime in the future.

The Conference Board of Canada states the costs of dropping out of high school are discernible and significant. Canadian society will lose more than \$4 billion over the working lifetime of nearly 137,000 students who dropped out in 1989. The \$4 billion cost to Canada consists of lifetime earnings and tax revenues, as well as the additional expenditure society has to make to address related social problems.

Partners in Skills Development, the report of the Skills Training Advisory Committee, clearly states that the workolace of the '90s and beyond will demand more highly skilled workers. They recommend the following objectives for the public school system: improve basic skill levels for all students; enhance the quality and expand the use of vocational programs to ensure that a much larger number of students acquire generic vocational schools; reduce the high school dropout rate; and expand return-to-school programs for youth and adults, both on a full-time and part-time basis.

Looking at these objectives confirms a need to focus on supporting people in completing high school, as well as investing in programs to help them return to school. The participants of the Student Social Allowances Program are actively involved in educational programs, as this is a basic program requirement. They are a group that is less likely to return to social assistance in the future. The success rate of these students is impressive. Our information is that people on Student Social Allowances at the Winnipeg Adult Education Centre have a successful completion rate of close to 90 percent.

Prior to discussing the recommendations on the last page, I guess I would like to expand a little bit on a group that I feel has not been represented today, a group that uses the Social Allowances Program. I think there have been some very eloquent presentations from people who have returned to school using the program, who have turned their lives around, people who work with immigrants who use the program successfully,

unemployed at Macdonald Youth Services. The group that I see and the experience that I have with the Student Social Allowances Program is working with wards of Child and Family Services who are turning 18, who are attending school but who have not yet completed their high school.

I guess a problem with the recommendation for Bill 32 is that it is not to review or to downsize the program but rather to wipe it out. I guess I am struck by the variety of perspectives on the program and the variety of groups using it.

When I think of working with a 17-year-old ward of Child and Family Services who is struggling with the problems he has experienced with family, with the lack of family, but is managing to continue his high school education, and to this point we could plan with him that you turn 18, maybe Child and Family Services is not there, but there still is a program that will provide basic support for you to continue your high school education.

I guess if I were to consider that parents, as the guardians of their children in Manitoba, were to take the position that once their children were 18 they were no longer responsible to provide their basic needs for them to continue their high school and go on to university, I think there would be a lot less people graduating from high school in Manitoba. I think the wards of Child and Family Services, there are reasons that they do not have the parental support, and there is a very strong case for allowing them to be supported in completing their high school education.

I have no information about any opportunity for that type of support being available to them. Right now, my understanding is that once they turn 18, if they are in Grade 10 or Grade 11, the option if they do not have financial support will be to apply for city welfare where they will have to discontinue their education.

In thinking back over the last eight years and the older adolescents that I have worked with, the Student Social Allowances Program always stood out as a program that worked very well. The expectations were very clear. It was very up-front about what it expected from students. It was not seen by them as welfare. It was like a contract, if you will, with the Province of Manitoba. If you agree to continue your education, to submit to monthly monitoring, to keep your grades up, to reporting to us on a monthly basis, we will agree to

provide you with basic money to live on. Once you have done your high school, you are on your own.

It was not seen as welfare, and a lot of the kids, welfare is not what their goal is. It used an established system, the public school system. It allowed students to stay in their own school with their own peer group but get the financial assistance that they needed. It gave them the best opportunity to ensure that they would complete their high school.

The concerns are that the people currently in the program, the people who would be looking to that support over the coming year are not going to have that, that the program is not phased out, that the program is not altered. There is no notice given, and to my mind there is no planning for some of the participants that I feel have a valid case for support.

The recommendations that the coalition would make are that the Province of Manitoba continue to provide support for people eligible for the Student Social Allowances Program, and that this group would include participants currently in the program, wards of Child and Family Services who are turning 18 and are continuing their high school education, and potential new applicants over 18 who are receiving social assistance and are demonstrating a readiness for continuing their education.

My experience with wards of Child and Family Services is often the upheaval that they have suffered has seriously disrupted their education, and often it is not until four or five years after they turn 18 that they are ready to go back and continue. It is important that support be there when they are ready.

Our second recommendation: If continuing the Student Social Allowances Program is not an option, the Province of Manitoba consider alternative methods of providing support for eligible students, that there be a way of students making a case for basic support to continue their high school. A financial support program, through the Department of Education, for students with a demonstrated financial need to be able to complete their high school education is one way. If social allowances to complete education is not acceptable, then financial support to continue your education or allowing people to be eligible for City of Winnipeg social assistance while completing their high school education on a full-time basis.

Screening measures could be similar to those used in the Student Social Allowances Program.

In discussing with the City of Winnipeg the situation that they will face come September when the current participants of the Student Social Allowances Program normally would be returning to school, they will not be returning to school this fall, and I would suspect that many of them will be staying on city social assistance. As it now stands, they will not be able to continue their education, and any requests from the city to allow the city to have them on city social assistance and continuing their education as a temporary move have not been supported by the Province of Manitoba. Thank you.

Mr. Chalrperson: Thank you very much, Mr. Johnston.

Mr. Martindale: Thank you, Mr. Johnston, for an excellent presentation on behalf of the Manitoba Coalition on Children's Rights.

You have described the cost of the Student Social Allowances Program as an investment, and I think we should assume that an investment pays dividends in the future. So I think that is a good word to use. You have said that if we do not keep students in school, there is a tremendous cost in the future, and you have cited one source that says that the cost of high school dropouts in the future is going to amount to \$4 billion. You have also said that this program is the only hope for many students to continue their education and that many of them have no alternatives.

Why then do you think the government is eliminating the Student Social Allowances Program?

* (2100)

Mr. Johnston: I do not have an answer. We had requested from the Family Services department the information or the rationale that was used in making this decision, and although we received information, basic information about the program, we did not receive that information.

As I said before, it was always a program in my mind that worked very well for the people that we supported making use of it. I am at a loss, I guess. I do not know why it would be ended. As other presenters have pointed out, there are other cuts that are much more acceptable than one like this. I guess I see this, as a taxpayer of Manitoba, as not necessarily cost savings.

I think that if an 18-year-old student is receiving social allowances to go to high school or receiving social allowances to sit at home, it is much more acceptable to me that they be attending high school. Given the job market and given their lack of education, I do not think finding work is a realistic alternative for many of them. I do not see the cost savings. In the bigger picture of money that is being spent in supporting people, I do not see any savings. So I cannot see that as a rationale.

Mr. Martindale: You have suggested a number of, what I will call, compromises but which could easily become amendments, and this minister could do that tonight before we leave here. There are three that are possible. There are probably more, but here are three. One is the one that was suggested by City Council, and that is to grandfather the existing students, allow the existing students enrolled in the program to complete their high school education. I believe the minister said no to that, but it is not too late. He could still amend the bill to do that.

The minister could amend the bill to allow a particular category of students to continue in the program, and I think you have very well articulated a group that other presenters have not spent very much time addressing, and that is wards of Child and Family Services who turn 18 and who do not have suitable homes to go home to, to live with their parents and continue going to school, who are probably going to continue living on their own if they are no longer in a group home or some other setting and will be on city welfare.

A third possibility would be to amend legislation in order to allow people to be on City of Winnipeg social assistance but enroll in school full-time rather than only take two courses.

I am disappointed that we had to sit again this evening, because one of the presenters who was here this morning, who could not come back, is a young man from the north end, whom I talked to, who said it will take him eight years to finish high school at the rate of two courses a year. So we know what this does to students when they can only take two courses a year.

Now of these three suggestions, and you may have more, what would you recommend? What do you think the government should do? If we cannot save the bill—and the government has a majority. I think they are going to go ahead with this, but if they

want to save face or if they want to do something compassionate or humanitarian, they can do it tonight. What do you think they should do by way of amendments? Which group of students, if we cannot keep all of them in school, should we amend the bill to accommodate?

Mr. Johnston: I guess the amendment that I would like to see in the bill is that there be a door open that students can go through to present their case, whether they be immigrants, whether they be people returning to school, or whether they be wards of Child and Family Services.

The way the legislation is now, there is no door open. I think, as with this process, to at least have been heard, to at least have gone in and said, here is the situation and I feel that I warrant support, and to have guidelines so that you are not being set up.

The importance of access of education, I do not think that an amendment to include one of the small groups—I think rather an opportunity for people to demonstrate financial need and to demonstrate an ability to successfully complete high school, that those are the keys to the program continuing, and I guess those would be the amendments.

I cannot see it working if you just amend it to try and include one of the groups that are using it.

Mr. Martindale: I would have thought that the guidelines or criteria existing now are pretty strict, but I would still like to encourage your suggestion, so I will ask for a little bit more expansion.

Are you suggesting then that you would be willing to have more screening of individuals, keep the door open but maybe ask more questions like: Can you work part time? Can you go home to live with parents? Do you have some alternative means of support? Can you continue going to school taking more courses but maybe not full time?

Is that what you are suggesting, that there be more screening?

Mr. Johnston: I think my experience is that screening was already done. Student Social Allowances was not an easy program to get on to, in our experience. The person had to be prepared in terms of the documentation that they took with them. All their ID, photocopies of their updated bank books, all kinds of information that many of the kids that we worked with just were not familiar with in terms of that kind of information organization.

I think that they had to be prepared in terms of handling living on their own and disciplining themselves to follow through with school. I think that the screening process was effective and the monitoring process was effective. The monthly reporting in terms of attendance and in terms of grades ensured that people were doing what they had said they would do. So I agree that the screening and the monitoring process was effective in our experience.

Mr. Martindale: Okay. Well, maybe instead of making suggestions, I will just ask an open-end question. What do you mean by keeping the door open then?

Mr. Johnston: Having a program that will give people an opportunity to be financially supported, if it is warranted, in terms of continuing their high school education.

In terms of the work I do and in terms of the scenarios that I can picture, the kids that I have worked with, I guess I feel that the wards of Child and Family Services, there is a very strong case for a program that would support them.

I think that they are a group that the province has stepped in and taken over the guardianship of that person and taken some responsibilities with them and to just abruptly end it so that they cannot complete their high school is not the right way to do things.

I guess I also am projecting into the future. Having worked in social services for a number of years, you see things go in cycles, and I guess I would be surprised if this bill were passed and over the next few years there was not a move to, in some other way, open the door again, whether it be through the Department of Education, that the basic idea of the program makes too much sense in terms of giving people skills and helping them not rely on social assistance to not come back in some other form.

My concern is that there are two or three years of people who will not have access to it. I think that in my experience, it has been a good program. It has helped students to be motivated to stay in school and be ready at 18 for undertaking a commitment to get that support and complete their high school. It has done a lot of what it was supposed to do, and I guess I was quite surprised when it was one of the programs that was suggested as a cut.

Mr. Chairperson: No other questions or comments. I thank you very much, Mr. Johnston, for your presentation this evening.

Second and last call for Ms. Rita Emerson, private citizen; Ms. Shirley Neufeld; Naomi Clarke; Silvana Rojas; Jason Hansen.

With the concurrence of the Chair, Ken Guilford has switched his position with Councillor Glen Murray, Standing Committee on Planning & Community Services of the City of Winnipeg.

Mr. Glen Murray (Councillor, City of Winnipeg): I appreciate spending a lot of time at committees. Your alertness and attention at this point are greatly appreciated.

I am here at the direction of the standing committee I chair, which is the Standing Committee on Planning & Community Services. This has been the subject of much discussion since I took over that responsibility on the city's executive committee between the city and the province.

The standing committee directed me to be here today on their behalf representing the city because they describe the stands that I have taken with the provincial government on this matter as wimpy and insufficient. At the risk of being accused of being a provincial government apologist, I assured them I would appear.

* (2110)

The other reason I am here is I have been appointed by the mayor, in addition to my responsibilities for Planning and Community Services, to take responsibility. What we feel, at the city government, at the City of Winnipeg, is the biggest problem facing the city is a burgeoning welfare and unemployment in the city as undermining our economy and undermining the future of our city. I am here because this matter obviously gets to the heart of it.

I am here, and I was asked to say some things very strongly to you and very clearly on behalf of the citizens of our city. One is that Winnipeg is now the poverty capital of Canada. We have the highest overall level of poverty of any major city in Canada. We have the highest level of child poverty in Canada and have had for the last few years. We have the highest level of child illiteracy in Canada.

As Mr. Stefanson, the Minister of Industry, Trade and Tourism, will be quite familiar, as a result of the Price Waterhouse study commissioned by Mr.

Stefanson when he was a city councillor or reporting to council, and a very positive initiative, one of the biggest problems that Price Waterhouse found about the future of the city of Winnipeg was the high high school dropout rate. Price Waterhouse underlined that, and that was one of the driving forces behind Winnipeg 2000 and a number of other city initiatives that really go to Mr. Stefanson and some of his colleagues of the day for initiating them.

When I look at that, I am aghast; as a Manitoban, I am shocked. When people talk about robbing hope, one has to be overwhelmed and dismayed, and I think the despair that one feels as a politician, one can only look to the people who are actually living through this to find greater despair.

The situation we face, and the numbers that were given before, quite frankly, with all due respect to one of the previous presenters, were inaccurate in that they underestimated it. I have had a very brief political career. I am just on my fourth year on City Council, but when I was first elected, there were 6,000 people on city welfare—a caseload of 6,000 cases rather. With children and dependents, that was about 10,000 people. We are now at about 18,000 and there are over 32,000 to 33,000, in that range, people on city welfare.

What has been astonishing to us as a city, and what is being experienced somewhat uniquely in Winnipeg that is not typical of the welfare caseload and profile of other major Canadian cities and indeed North American cities is a very large bubble. Thirty-five percent of the people on city welfare are between the ages of 18 and 24. I will repeat that again, because it is a very important statistic and it is something that I think we should all view as alarming: 35 percent, this year, of the people on city welfare, are between 18 and 24. Some of them have high school education, the majority have already dropped out.

They are being joined by hundreds every year. Some of these people cannot read and write. Some of them have very low literacy skills. We see this group, and that amounts to about 11,000 young people right now. What we see happening in the next few months, and we have already experienced this, we have had 150 students from Student Social Allowances and related programs come on to student welfare already, we see another 900, in our most conservative estimates, joining those 11,000. They will become the 11,001st, 11,002nd,

11,003rd, right up to almost the 12,000th person who is on city welfare.

These people were not there three years ago, they were not there two years ago. These are not people who want to be sitting at home. These are people who desperately want to be working. These are people who are not dropouts, they are pushouts. They are pushed out of school. I represent some of them.

It is also not a partisan issue. The committee that directed me to be here, the vote was unanimous. I am the only person on that committee—half the committee is members of the governing party of this Legislature and the other members of the committee come from the opposition parties or no party at all. It was unanimous. Some of these people are the city councillors in some of your constituencies who have really asked me to plead with you, as I have been unsuccessful to do in very polite and informative meetings that we have had with the minister, to try and get you to change your mind.

We do not understand a few things as city government. We have spent quite a lot of research because we have submitted, as you may be aware, a number of proposals to the province for employment and training programs to reduce our welfare rolls. We do not understand where the savings are. The majority of these people—and I will say it will be higher, but we tend to err on the side of conservatism when it comes to budgeting, because we also end up running a deficit on our welfare rolls, which means we always underestimate the numbers we are going to get. We are saying 900. Those 900 people will be coming onto city welfare. The saving to the province, up to the point of standardization, is 20 percent. That is 20 percent of an \$8 million additional bill. I do not understand that the taxpayers are going to see the city picking up on property taxes 20 percent of that bill. We are mystified by that.

We have been tracking now, since our welfare caseload exploded—and it is predominately because the city has the employable caseload where the province has, generally, women who are single parents and people that are designated to be unemployable. So we are mystified by that because what we do know is that after 18 months to two years people do not leave welfare. That means right now the majority of the 32,000 people

on welfare will not ever get off. That is a permanent cost in the realm of \$130 million to the three levels of government.

The Province of Manitoba enjoys a situation that only the government of Nova Scotia enjoys in that Winnipeg and Halifax are the only two major cities in Canada that pick up and administer a share of the welfare dollar. If this was Saskatchewan or this was currently Ontario or Alberta, this kind of arrangement would not be possible.

Quite frankly, our biggest cost growth in the city government—we would be seeing tax cuts to property taxes in the city of Winnipeg every year if it was not for two things. One is the growth in our capital debt from the '83-89 administrations, when borrowing went from \$30 million to \$120 million, and some people who are on City Council will be familiar with those decisions. The other reason is that there is a \$16 million annual growth in welfare, which we do not have the means to do.

To be fair about it, we have put in over a dozen employment programs. We understand restraint. We are a city government that is besieged with financial problems right now, of falling revenues and escalating costs that we cannot control. We cannot deal with one-year solutions to long-term debt. Those decisions were made. The banks are expecting to be paid. We cannot control the number of people that come onto welfare. That is a right and an entitlement that Canadian citizens have, and that is driven by the economy and not by decisions of council. That is the overwhelming problem that we face. We realize that if we do not solve that, we are permanently going to erode the economy and the flexibility and ability of city government.

So we have to do a couple of things. We propose, through Community Investment '93, I think, some very creative solutions. We have submitted since then, and they are mentioned in some of the correspondence we have had, about a dozen other alternative employment education programs.

We have corresponded with the ministers responsible over the last several months starting in December. We have waited patiently for months, gotten polite answers but no action. We have also recently communicated in the last month with the Minister of Education. We are aware of a \$500-million cost-shared program between the

senior levels of government on employment and training initiatives.

We know that we spend half a billion dollars a year in this city on welfare and UIC. The city views that as a colossal waste of money. We do not understand how governments can pay half a billion dollars to keep people unemployed and continue to pay bills like that and provide no alternative programs. We would say succinctly that there is less available now and there is less available each succeeding year than there was the year previous.

There are almost no employment programs available to people on welfare. The federal government's UIC changes basically made most federal government programs available only solely and predominantly to federal UIC recipients. That has been frustrating to provincial welfare. It has been frustrating to city welfare who have seen the gates close and the doors slam on any realistic national employment program, yet year after year we continue to pay half a billion dollars.

* (2120)

(Mrs. Shirley Render, Acting Chairperson, in the Chair)

We are again mystified, because if I can go back to the point, and I think the MLAs and certainly especially some of the urban MLAs on the government side, Mrs. Render and others I hope will hear this very clearly, because this is the implication to your city. This is not cost neutral, though. It is not that the government is not saving money overall, because we know when these people have been on welfare for 18 months or two years without a high school education, they are likely to become as permanent as the 11,000 eighteen- to twenty-four-year-olds who are already there.

So if you have 12,000 people now on welfare, that cost is an annualized cost to all three levels of government. That cost will not come down. If you allow people to complete their educations, they become employable. If you do not allow them to complete their educations, they become less employable. Someone without a high school education, if you read any piece of government literature or private sector literature, is virtually becoming obsolete in the job market.

You now have before you on city welfare alone—and I am not familiar with the caseloads at the other levels of government—12,000 young

people that are virtually becoming obsolete. When they have been there for 18 months, mark my words, they will not get jobs. You are going to pay for them on welfare, and that makes absolutely no sense to take away accessible high school education. If anything, we should be wondering what we need to do about the other 11,000 who are already there unable to complete their education.

We keep on hearing that there are jobs they could do. The case about the hours required, the city has looked at and looked at what a reasonable income would be, and the chance of someone who is already disadvantaged successfully completing education while working part time is negligible. If anyone in the provincial government can show me one study that has been done, any credible government, private sector or university study that shows that people working part time in disadvantaged lower social economic groups complete a high school education, I will fall over, because it is not so. It is not so.

In no word of a lie, produce a report, produce a study, show me a study anywhere that shows that people after being on welfare, especially when they have not even had their first job, and these 18- to 24-year-olds by and large have not had their first job, get off welfare. Tell me, prove to me, please, that these people, these 11,000-12,000 students, because that is what we are naturally talking about, are actually ever going to get off welfare. What you have done is that you have doomed those people to permanent unemployment.

Where is our work ethic? Where is the work ethic that built this province? Where is our commitment to young people? What kind of message are we sending? It is not just the disadvantaged. I would invite people who represent areas like St. Vital and Fort Garry and Charleswood to go to some of their high schools, because I have been there, and explain to some of the new Canadians, who have the ink not even dry on their citizenship papers, why they have to drop out of school when they have just barely gotten a command of English, and explain to the parents of those families in Fort Garry, St. Vital and Charleswood exactly how their children, who have barely gotten a second language, are going to even succeed if they are unable to attain, continue to work the student social welfare program.

If you have partisan concerns, you can talk to Mr. Tom Denton at the International Centre, who is one

of the experts on this, who is a member of the governing party, who has been one of the best resources I have had and the city government has had as we have gone through extensive consultation in the last few months, who has pointed this out repeatedly to me.

I do not understand it, because the tough decisions that government have to make are the ones that affect their constituencies. It is when you have to say something to the people who support you, who are likely to vote for you, that will upset them, where you have to take those kinds of risks. When you take advantage of people or you say things that are hard to people who will not vote or people who are not in a powerful political constituency, that is an easy decision in government. It is hard to disappoint the people that supported you. It is very easy to disappoint the people who do not have political power.

The other thing that frustrated us was—I spent quite a bit of time on this, because this is one of the reasons that I went into politics. One of the reasons that my colleagues like George Fraser and Evelyn Reese and Sandy Hyman and many others went into politics is we did a study of every other municipality who administers welfare and every other provincial welfare program. Rather than being unique in having student social allowance, Manitoba is about to become unique as one of the only legislative authorities, provincial or municipal, that will not be administering some sort of student allowance program, whether it is on a case-by-case basis, whether it is on a category basis.

In Newfoundland there is a program and Labrador. In New Brunswick—and I can read you the details, because I have the government's own description of their programs when I personally phoned many of them. New Brunswick has a program. Prince Edward Island has a program like this. Nova Scotia—the City of Halifax and the province both have programs. As a matter of fact, it is amazing the kind of autonomy that the City of Halifax has and the kind of relationship it has with its provincial government. The Province of Alberta has a program, as does Ontario. I will gladly table this document. It was produced by city Social Services.

We will join in a very new direction of not having a program that gets people back to work. We, with our capital city and 65 percent of our province leading the nation in child poverty and illiteracy,

having the overall worst poverty rate, having one of the highest high school dropout rates, talking about competitiveness in the economy, talking about upgrading the workforce of young people. We will now lead the country in promoting ignorance.

I do not know whether many of you have sat home lately and watched the federal government's advertising campaign on what it means not to have a high school education. It is on television, very powerful. A young Asian woman is there talking about why she wants to leave school.

I would also gladly table for you a study done by the Conference Board of Canada: Dropping Out: The Cost to Canada. It is an extensive study that was done by the Conference Board of Canada, and it advises exactly against the kind of policies that you are now pursuing.

We keep on hearing, and in the letters that we have received from numerous ministers of this government, that we need alternatives. The city has proposed to this government over a dozen alternatives. We have said that we have to stop consuming government dollars; we have to start investing them. If anyone is going to be progressive, whether they are on the right of politics or on the left of politics, they better understand that there are two different types of government expenditure. Those government expenditures have to be directed at the two major reasons why we are losing productivity in the economy.

Most of us who are in the government side of the house, as I am at City Hall as part of a governing team, all understand that the two biggest reasons the Manitoba and Canadian economy is losing productivity in competition with other national and regional economy come from two things. One is rapidly deteriorating infrastructure, which we have addressed in Community Investment '93. We spend one-third the dollars of any other major industrialized country in that area. The other reason, and it is slightly ahead of it, is our inability to maintain high levels of education and job skills.

(Mr. Chairperson in the Chair)

We all know that whether you are going into an apprenticeship program or whether you are going into any kind of post-secondary education or any trade, you need high school. So how can you even begin to discuss higher strategies? How can you even begin to discuss, as the \$500-million joint federal-provincial program is supposed to, training

when you have an entire underclass of over 10,000 young people who have not yet done it?

Now if people are going to now tell me that there are jobs out there, I would like to invite any one of you to join me at 705 Broadway. We have a huge problem, and our staff in our welfare office has a huge problem, because the people coming onto welfare now are not the lower class. They are not the lower middle class. They are the middle-income earners. The last Friday morning I was in there, we had an aeronautical engineer with a Ph.D with 10 years experience walk in because his UIC benefits had been exhausted. If you want to look at the education profile of the city welfare rate, we could rebuild Boeing here with the skill and education we have.

So someone who has come from a lower-income family whose literacy is limited, whose mathematical abilities are limited, if an aeronautical engineer with 10 years experience is not getting a job, one has to wonder who sees and what jobs there are out there. We can do it differently. We have spent a lot of time as a city government pleading with this government and bringing forward detailed proposals not to spend more money, but to spend the same money differently.

We have thousands of construction workers on city welfare. They all have children. If we put 2,000 of them back to work, we would take over 7,000 people off city welfare. That would be a one-third reduction almost in our caseload. We know we can do it. We have demonstrated that the revenue in taxation from GST and PST and payroll tax and sales tax and welfare savings would not cost the senior levels of government significantly more to spend that money, invest those dollars instead of consume them, putting people back to work, getting our infrastructure up to grade.

We are now working on about another dozen other proposals to look at using welfare dollars more creatively. We would much rather be addressing the provincial government on a co-operative venture. We would much rather not be the only level of government coming here, as I often have to, with proposals. We would like to stop hearing the provincial government talk about alternatives and produce some. We have produced over a dozen. Some of them are imperfect. Some of them may not work, but we have produced them.

* (2130)

We would like one from the provincial government. We would like one suggestion. Alternative seems to be a mystical word around here. Where is it? If there is a better way, then where is it? If you do not have an idea of what to do, then let us do it. Why would you give us 900 students who cannot find work when you have already screened them, when your staff has already screened them for alternative? They have to demonstrate their parents cannot support them. They already have to demonstrate in your program, if your departments are following their guideline, that they cannot work or have been unable to get sufficient work. They have already passed that litmus test. If you are going to give us the 900, do not give us the responsibility without the authority. At least, let us, as we have requested, grandfather them. That is really second-rate mediocre government. It is really second-rate mediocre policy.

We would much rather be talking about solving the bigger problem. We believe we can do it. We, as a city government, believe we can do it, whether you are a Conservative, a Liberal, or a New Democrat, whether you are the mayor, or a city councillor, or whether you are senior administration, or a director of social services, we believe we can get people back to work. We just need co-operation between the levels of government.

I have been very disturbed and frustrated, as I am halfway through my term as chair, that every single communication with the province has been one way. Every single initiative on employment and welfare has been one way. What we have gotten back from the province, to be very candid about it, and this is why the standing committee wanted me to draw to your attention, unanimously, I may add, is the following points: What we have gotten from the province is permission to go to the federal government to cost-share welfare costs above standardization.

So we got to fill in with city dollars the province's share of reduction of family welfare and have been forced to pay more for rent for single people. So we are not saving money, we are spending more on single people that is going to their rent. They are getting less for food and clothing and personal needs, and more is going to landlords.

If any of you are interested, I will give you files, anonymously, of some of the case studies that we have had and some of the ridiculous situations where people's rent is going up \$50 and their personal income on welfare is \$35.

At 400 Stradbrook, I got a phone call from a man in tears, who is sixty years old, who now has to live on \$196 on welfare—sixty years old. The businessperson who lost his business two years ago, lost his family, is now on \$196, down from \$232, but he is getting more money. The taxpayers are paying more money, but he is paying over \$60 more now for rent through a whole lot of little sleazy moves that went on.

We are spending more time having our welfare people not getting jobs for people, but chasing landlords who are pulling scams to try and get a bigger chunk because they know the province has raised by \$50 the ceiling on rents by reducing that. We have cut by 10 percent, even after the city-provincial agreement, the income of families.

We have now higher health and dental costs because of that downloading. We now have the Student Social Allowances Program that we have tried to be polite and discuss and have gotten, quite frankly, nowhere. We have an agreement now where the city's senior administration and the senior administration of the province will now meet and work together. This, again, was a city initiative out of frustration.

We have even had the situation where, all the rest of us who worked and got tax back because we paid too much tax, if you were on welfare, even though you earned that money and it was money you earned, and the federal government recognized that it was not rightfully theirs and returned it back, people on welfare, unlike any other citizens, had that clawed back. So they have also been hit there. It is very, very hard to find a single place where people on welfare have not been taxed.

Video lottery terminals are going to take \$60 million out of predominantly low-income salaries, and we are bracing for a juggernaut when that hits our neighbourhoods. I make \$55,000 a year, one-third of it is tax-free. There, but for the grace of God, go I, because if I am not re-elected, I am on welfare, and I will enjoy the experience of those people I now have to advocate for.

I do not mind paying a few more percentages in taxes. My parents grew up in poverty. My mother was an immigrant. If it was not for government assistance, she would never have learned how to speak English. I am the first person in my family, as a Canadian, who has had the pleasure of a university education. I went into politics because there were governments before of all stripes, Conservative, Liberal and New Democrat, that actually believed that education meant something and understood that when my mother needed an education, support, and second-language training, it was available. We now live in a province where that has evaporated.

I, again, believe that there has been some terrible mistake here, because this does not save money. It costs both levels of government money. It costs people their dignity, their pride, their ability to work, and in the end, it is going to cost us all more because, believe me, if you have been tracking it, people after two years do not get off welfare. The only programs, like the Community Service Worker Program and the Community Home Service Program that even gives them the dignity of a job for a short period of time, are city funded.

We have had some success, and we have successful models. The Dutch elm disease program, which is an old program which keeps on getting new life pumped into it, works. I mean it has been a terrific program. It has been studied. I mean, you have had a pilot project.

We do not have Core Area Initiative anymore. We are not spending money there. There was a wealth of ideas—the Entrepreneurship program which promoted self-employment. The Bangkok Thai Restaurant, Direct Marketing are all companies of immigrant families and welfare families that now have jobs, that own businesses in this city. That is what people want.

We do not have any of those programs. Why not? Why can we not be gripped with the vision of making it better? Is that not why we are all here? Why has it taken six months and frustration to come here? Why can I come here, being attacked by even conservative members of my—I wish some of you were there at the last standing committee meeting. They were not very kind to me, and I was actually called the government apologist. I mean, I find that humorous because I often hear from

some ministers they wish I was more kind in my comments. Maybe there is some balance in that.

But I really implore you. I would really like us to start a new age. I would really like this to be some dawn of a new partnership, across partisan lines, between government. I would really like to see some positive alternatives coming the other way, and I hopefully have forcefully pleaded with you in that measure. So I will answer questions.

I also have a terrible head cold and the flu, so if I am driven by a bit more passion, it probably has more to do with the fact I have not had a Sinutab for about three hours.

Mr. Chairperson: Thank you, Councillor Murray.

Mr. Martindale: Thank you very much, Councillor Murray, for a passionate plea on behalf of people on Student Social Allowances and the 18,000 cases of people on city welfare. I appreciate hearing your plea about the job creation programs.

I wish we had time to go into that in some detail, but I guess we are really here to talk about Bill 32. So reluctantly I will not ask you any questions about infrastructure renewal and the dozen other proposals you have made to the provincial government.

Could you give me the figures again that you gave? You talked about the 20 percent. I believe that means the 20 percent of the cost that the city of Winnipeg is now going to pick up. That is 20 percent of what? Four million or—

Mr. Murray: We pick up 20 percent of whatever the—our original estimates were about, \$5,700,000 would be the cost to the city. They are now up around \$8 million. Our costs would be about 20 percent. In the original scenario, it was about \$750,000 additional costs.

The other costs that we get hit with, the benefit dollar or the entitlement dollar, the welfare cheque that goes to the person is cost shared up to standardization: 20 percent, city; 30 percent, province; 50 percent, federal government. Anything above standardization is cost shared 50-50 by the city and the federal government.

The administrative dollars is any dollar that the city spends on welfare administration, which is several million dollars. The province takes that money to the federal government, and it gets matching funds. So they also save on the administrative costs.

Mr. Martindale: So if you have asked for studies to justify the elimination of this program and you were not given any studies, if it is not logical and it takes away hope and it puts people on welfare and if they are there for more than two years—they are probably going to be there permanently—why is this government doing it?

Now I have said they are offloading this expense to the City of Winnipeg. That is the only reason that they are doing it. But I would like to know why you think the provincial government is doing this.

Mr. Murray: I think there are cost savings for them to the tune of 20 percent. I think that there may be some people who actually believe that there are jobs out there for them. I am quite prepared to be able to provide proof that that is not the case, and what the patterns are. I think that maybe there is a belief that if you just do this the problem will go away or somehow things will get better, there will be an upswing in the economy, some of these people will find jobs, and it will not be that bad. If it does not happen, it is on the city tax rolls anyway.

* (2140)

We cannot find a good reason for it. We think our research is pretty good. We think the research from the bodies that we have drawn on, like the National Council on Welfare and other studies that we have used of people who are nationally recognized is pretty solid, and we do not find anything to support that kind of conclusion. It is certainly contrary to our experience. There has also been a very different—I mean, governments are very gripped—I think we are guilty of this as well as the province or any government—by the immediacy of your problem.

The province has been somewhat buffered compared to other provinces from the cost of welfare because they have people generally defined as unemployable. They have the women who are heads of single families who are employable, so they are aware through that, but the province has not experienced anywhere near the same escalation in welfare cost or in case load, so their conclusions may be coming from a different set of experiences with a different group.

They have actually told us, or there have been discussions of an audit of city welfare, which I do not think would be helpful. It has been viewed by some of my colleagues as intimidation on their part. I would not go that far, but it certainly was not a

helpful move. We are quite happy to see that happen, quite frankly, because our case load right now is one worker for 87 people. The next best, provincial and municipal, is one in 50, so we have an efficiency rating almost twice what the next best is in the country.

We have computerized and we have a very careful tracking system, so I think the city has a credibility problem. I think we perceive that we have a credibility problem with the province. I think it is the conclusion of the senior administration of the city and the board that we are not often believed by the province, and there is certainly a climate of resentment on both sides that is created that I do not think has been helpful. I think our frustration level is very high. I think that may be part of it, I do not know. That is my speculation. You are probably better off asking the province. If they are prepared to be as candid as I am, they may make some comments at one point as to where they see the concerns.

Mr. Martindale: I like to think that I am pretty well informed about the kind of living conditions that people experience when they are poor and when they are unemployed and when they are on social assistance because many of them are my constituents, some of them are my neighbours. I live in the north end. I live in the area I serve, and I have for the last 13 years, but I am always shocked when I hear new things. It is really quite educational, but it is also amazing what one learns.

About two weeks ago a City of Winnipeg social services department supervisor told me the same thing that you are telling us tonight, and that is if someone is on city welfare for more than two years, they end up being a permanent recipient. They are not getting off welfare and getting jobs. Now, maybe you can explain to us why that happens. I am not sure, I have no idea. Is it because employers are saying we are only going to hire people who have been employed less than six months or less than a year, or what is going on here?

Mr. Murray: The problem is the following, a number. One of the problems with employers is, it is really an employer's market out there. That sounds like a silly understatement to say it, sort of overstating the obvious. But if you are in very competitive job market, even if you are competing for low-skill, low-pay jobs and you go in there and you have not worked for 12 months and you are

competing with some people who have worked for six months, the lack of employment history becomes the biggest factor. When we have been tracking why people are not getting jobs, the biggest response we get from employers is simply—someone who is on welfare for six months, 12 months, especially if they have been on to 18 months or two years, is perceived not to be employable because they have no recently reliable employment history.

Very quickly in the culture we live in, we characterize people who are on welfare for any extended period of time as it being their fault, that there is something wrong with them, and that conclusion and that prejudice is very, very heavy. When you have gone to a couple of hundred job interviews over a 12-month period and have constantly been turned down, your self-esteem is pretty low. I think all of us have sort of had anxiety and senses of hopelessness sometimes. You will hear the word "hope" a lot and "hopelessness" a lot. Once someone's self-esteem is eroded, their ability to get up and get back in a job is very unlikely.

A lot of people right now who are 18 and have not finished high school, who come from welfare families, are coming from families often where self-esteem has been a problem, so you have children brought up in a culture where their parents' self-worth has been eroded by the social economic conditions that we live in and the conclusions that they come to about themselves or not.

I grew up in a working-class-poor neighbourhood. My father was very successful when I was in my early teens, and it was quite an experience for me moving from a very poor neighbourhood, where lots of people's parents did not work, to a very wealthy neighbourhood, where everyone's parents worked and owned two cars and had swimming pools and colour TVs. To go through the self-esteem in a high school in an affluent area of the city compared to a high school, for example, in the low-income area of the city, the self-esteem issue and perception is often a word that has often been used, which is "trespass." We often teach people, because of some of the racism in our society, that they are not good for certain things and that they are not worthy to do certain things and that certain goals are unrealistic.

Many families who are on welfare, many kids who are on welfare and young people, are not the kind of people who are told they can become

lawyers or MLAs or successful. In some neighbourhoods, having a job is a status symbol, and we sometimes forget that. I sometimes forget that, quite frankly, because there is very little that I want for as a person. I have not worried where my next meal is coming from in my whole life. I have to appreciate, and I think we all have to appreciate, that the conclusions we come to, if we have the salaries that most of us in this room make, are very different, and our sense of self-esteem may be very different. If you try to apply those rules generally, then I think you are really missing a fundamental part of the formula.

Mr. Martindale: In the last four years, the city welfare caseload has gone from 6,000 to 18,000. The 18,000 is approximately 33,000 individuals, because the 18,000 refers to families and single persons on assistance. Many of these 18,000 are going to be permanently unemployed, according to your studies, and the province will not cost share creative programs or continue good programs like the Dutch elm disease control program. They have said "no" to the city. Now you are getting a portion of 1,100 more people on city welfare. What is going on here? Does not this strike you as—

Mr. Murray: I do not know. I think the Dutch Elm Disease program has been successful. I think we are very proud of the relationship that we have had with the province, and we have been very pleased with the provincial government's leadership on that issue as well. I think that has been a bright light, a bright spot in all of this for us, and I think it has given us some hope that things can be different.

I think that right now there is a sense of despair. I am not the first city councillor to come down in the last few months, and all of us have left empty-handed. I think, if you talk to my other colleagues, no matter what their political stripe is, they will tell you then that there is a sense of, when you come down here, do not get your hopes up. You expect to walk away empty-handed. Quite frankly, I knew when we got the no in the letter that that was the final no. I came here because I was directed to come here by a standing committee and because I think that you just have to make the case. You have to do your job and make the appeal. I do not expect things to change, quite frankly. I expect to be facing horrendous decisions next year.

I expect that this provincial government does not trust the City of Winnipeg. I expect that the

provincial government is suggesting doing an audit for exactly that reason, and I think there is an atmosphere of suspicion and distrust. If you look at the number of people that we are laying off, if you look at the negotiations that we went through with our employees to claw back 4 percent, if you look at the fact that right now our municipal services are either the second or lowest in the country in per capita cost, you understand how on the edge our city government is. We just had a 2 percent across-the-board reduction in our provincial contributions.

We are now the most property taxed dependent city in Canada. We are the only major or comparable city in Canada that gets 50 percent of our revenue from property taxes. Mississauga, Regina and Winnipeg consistently have the lowest cost of administering municipal services, and Winnipeg carries more provincial government services than any other major municipality. Only Halifax covers a share of welfare, and we cover ambulance and a number of other provincial services that are fully provincially funded in other provinces on the provincial tax roll. So we are already covering off more provincial responsibility.

We get in the bottom rung of contributions per capita. Only Winnipeg and Halifax have seen a decline in per capita expenditures by their provincial governments. Of any city in Canada, only Halifax and Winnipeg have seen an annual decline in total provincial commitment to their municipal services year after year. We are at a minus \$4 per capita cut. Halifax is at minus \$2. The next lowest is plus \$14 up to \$21. We are talking about provinces with higher deficits and worse economic conditions providing more support.

We do not feel that we are on the same team. There is a sense right now by many of my colleagues across the board that something has gone terribly wrong, that we and the province are no longer on the same team, and we would like to change that relationship. We have said that quietly. It has been accorded unanimously at Executive Policy Committee when we met with the Minister of Urban Affairs (Mr. Ernst), and nothing has changed. Now we are saying it publicly. You have heard the mayor say it many times in press conferences, and I am reflecting I think her views, that we would like a better relationship with the province than we currently have.

We would like less suspicion. We would like more co-operation, and I think there is a culture that has developed that has not been helpful to either level of government. Those of us in leadership have to start telling the truth about it, quite frankly, so people do not wonder why things are so bizarre right now, take some responsibility for it, change our tone and try to work more closely together. I have got over 30 pieces of correspondence that has gone between my office and the provincial government over the last six months, which I would gladly table. You can get an idea of the tone and come to your own conclusions about what those discussions have been like, how productive they have been and how reasonable the city's position has been.

Mr. Martindale: I wish I could offer you some hope, Mr. Murray, but I cannot. I am part of the official opposition. Only the government can offer you hope of improved relationships between the city and the province. I am opposed to this bill. My NDP colleagues are opposed to this bill. I assume that you are opposed to it, but are you interested in amendments or not?

* (2150)

Mr. Murray: Oh yes, very much. I mean, we can understand—I, quite frankly, at this point, know we are not going to win the downloading battle. We never do. If they give us money on one hand, we know our unconditional grant is reduced by that much.

This was something that Bill Clement, when I first got in council, sat down with some of my esteemed colleagues and said whether it is an NDP or Conservative government, there is a certain shuffle, to be quite honest. Yet I understand that, that is part of the repartee of city-provincial politics.

What we would like here, if it is not really a cost issue, is then why would you not allow the city the authority to allow these people to complete their education? It is going to cost the same. As a matter of fact, we would argue very strenuously, if you allowed an innovative program, and we have suggested a few, and we would suggest more if invited to do so. We have done that uninvited; you can imagine what we would do if we were invited for opinion. We, unsolicited, have suggested some ways you could do it.

What we have basically said is we are going to end up paying a large part of the bill. We have

escalating welfare costs we are trying to get down, because they are eroding all of our other government services and we have to cut dollars from other places to subsidize welfare. We have said to the province, then let us solve the problem. If you are going to give us the 900 students, then let us try and find a way to get them back to work.

We obviously have come to some different conclusions about you. Do not give us the responsibility without the authority. I mean, anyone who has been around the provincial Legislature has sung this song to the federal government. They have said, would you please stop downloading responsibility and give us authority. You know, let us make the decisions if we are going to have to pay the bill.

What we have now are 900 students that they are giving us, essentially, and saying, but you have them, and you can only play by these rules on them, and you cannot allow them to go to school. We have been very involved with negotiations with some of the school divisions in Winnipeg, within the city of Winnipeg, which encompasses about 13 school divisions. We have been saying to school divisions—I mean I think that most of them are of the same mind as the city is. They see this as a rather absurd policy.

They see it costing government more, not less. They do not see this as a saving. I think all of us, most of us see this—I think if you talked to School Division No. 1 and a couple of others, they would see this as a greater cost to all of us, that we need to get the education level up.

Even if you did this, we would at least like to be able to find an alternative. Because I do not think there is anyone, I have not heard anyone arguing that this is a good decision. It has been described even by the government as difficult and unpleasant and necessary for savings.

Well, I have not seen the saving. If it is difficult and unnecessary, then there are better programs. So if the Student Social Allowances Program does not work, then why are we not sitting down constructively as a level of government with each other?

The first letter I wrote, with the mayor's approval, was to the other levels of government asking for a joint provincial-federal-city committee of politicians, one or two representatives from each level of government, to study employment strategies to

reduce welfare. That was the very first letter. I do not think I have even gotten an answer to that one yet. I think I have got an acknowledgment the letter was received.

What we asked for was way back in December, because we saw these problems coming back then, that we really had a crisis situation. It was a crisis situation for the people who were experiencing it and for the governments who had to find the monies to pay for it, to try and develop a long-term strategy that we would all commit to, that we were all on aboard going in the same direction. What I found is that we are sort of floundering around.

Maybe there is a fear there, I do not know what it is, but there does not seem to be good reasons not to be coming up with solutions. We are now into our budget process. As you may know, the city's fiscal year ends in December, so we are now busy preparing our budget. So if we do not have an answer from the province in the next few weeks, or at the most the next couple of months, our ability to create something for '94 is almost impossible.

We expect that some of the solutions that have been discussed are impossible now for 1993, but in 1994 and again, across the board, I think that all of us on City Council, no matter what part of the city they come from, would really like the opportunity to have that kind of partnership and to have that kind of real enthusiasm about finding solutions together.

Mr. Edwards: Mr. Chairperson, I want to thank Councillor Murray for his presentation tonight. It has been very, very interesting and I learned quite a bit from your discussion. It has been a great pleasure to hear your account, the history of this, from your perspective and the city's perspective.

I have not given up hope completely on this. We have not gone clause by clause. That will be coming up at some point. I tend to agree with you that there is no logical basis or defence for this piece of legislation. None of the reasons given that it might be okay for these people really stands up, and I think those giving those defences understand that.

That is why the real rationale comes down to, and it is a legitimate concern of government obviously, we simply do not have any money. That is what drives many of the decisions that this government has made. I understand that. You understand that. You are representing a level of

government that has similar, terrible financial constraints. You have talked about the difficult decisions you face. This is one of the difficult decisions they have made for that goal, to save money.

Given that, and given that I think these people on the other side of the table want to do their job for their constituents and are not evil people, they are here for a purpose to do society's work and do good work, how can they, from your knowledge and in this program or in other ways that they deal with you, how can they save those dollars in a better way? Do you have any suggestions for them?

I think if there was a way that you could say, look, we know you need to save this money, this is not the way to do it. I know you have said, and we all say the same thing, if you do not do this or if you do do this, it is going to cost you money in the long run. It will save you in the long run to leave it in place. But that argument is made about every program. Everybody knows that who is in government, and that is what you will hear tonight, if that is the opposition to this in entirety. How can they save some money other than this? I mean, I think it is a very regressive way to try to restrain fiscally. Is there a better way that you can tell them?

Mr. Murray: I can give you one example. I could probably give you several. If you went to the Minister of Transport in this government, I think he would be able to argue quite passionately, because Mr. Driedger has, repeatedly, about the importance of infrastructure to economic productivity. One of the things that you discover and any economist, whether they are on the right or the left, would tell you very clearly that one of the problems that we face is that we are losing productivity in our workforce. The deterioration of our infrastructure, especially our transportation infrastructure, is increasing the ratio of people who are unemployed versus the people who are employed. That is one of the biggest factors eroding our employment base and up through the productivity of our economy.

If we spent—and this is the scenario, I would gladly forward to you the report—\$50 million, approximately, on infrastructure renewal, and we hire 2,000 people off welfare, you would get about \$31 million in revenue and savings to the two senior levels of government. If they gave as a contribution back no more than that, the city could pick up the balance of the tab and it would be the least expensive infrastructure renewal we could do.

It would get those people back to work. It would increase the GDP of the province by \$45.8 million, which would be a huge growth in GDP. It would buy \$25 million worth of private sector goods. We are not asking for more money from the government; what we are asking for is that the additional income tax that those people would pay, that the additional payroll tax that they would get, and GST and PST that they would get, and the savings that they would get in welfare—welfare savings would be about two-thirds, and we would account for that because it is right off a pay cheque or it is right off the welfare roll—we could reinvest those same dollars that they would have to spend if the city did not do the program to create jobs, to create another 500 private sector jobs on top of that, spending the same kind of money.

Now this is not radical economics; this is gospel now with the national government in the United States. It was gospel during the Reagan administration. I dare say it to some of my left-wing colleagues, this was sort of one of the strategies that was very successful, that the Reagan administration argued very strongly for and dramatically started to increase its amount of spending on infrastructure. European countries and Japan do this as an effective way of job creation. It would have a huge benefit. That is one.

There are a number of others. I have spent quite a lot of time reading up on this. European programs that relate to welfare training with small business, that looks at employment of appropriate skills that people need and gets a creative process going between small business and people on welfare, where people can go for extended 12-month or 24-month work programs, where they go into computer skills and develop and eventually become part of that firm. For firms, during a recession, then, who can only hire someone half time and do not have the money for a full-time person, they get the addition of a full-time person for a half salary. You have to be very careful around entitlement of welfare. There are some very strict rules that you have to apply, and you have to have time contracts.

* (2200)

We have not proposed that yet to the provincial government, but those are some of the things that we would like to see that have worked. The ones that we have submitted—I mean the paper that I

wrote with some of my colleagues at City Hall and with some of the research that we did—we still have not got an affirmative response from. We get sort of neutral to sort of, what is the word I would use, noncommittally positive, maybe I could put it, from some members and no answer from others. I guess, we feel that this is a priority, that employment and reducing our welfare costs and getting people back to work has to be the single biggest priority of government.

When I meet with my colleagues from rural Manitoba municipalities and the depopulation of rural Manitoba, one is gripped that this not a Winnipeg problem. This is a province-wide problem, and many smaller communities than Winnipeg are gripped by it.

The province has some good initiatives there. The municipal bonds program we applauded very strongly as a city, and we would like to see an urban version of that. I think that most rural municipalities have also applauded this government for those initiatives. We do not really have an urban equivalent. Since core area, we do not have an urban equivalent to those kinds of initiatives, so the government has done some of those kinds of programs. I think that we would because we can bring dollars to the table as a city. We would rather be spending our money there than on welfare, quite frankly.

Mr. Edwards: I appreciate those comments. You mentioned that you had suggested some kind of a committee, a trilevel committee, to study welfare and the growth in welfare and the enormous amounts of money that it costs us and is going to continue to cost us. Maybe I can just add to my prior comments. There is a certain siege mentality that I think develops around issues like this and in the Legislature, partly probably because of the party system, but I think these people here on the other side of the table, they sort of sit out these committees and sort of listen and take it, but at the end of the day, you know they inevitably, most often, just pass it.

What I would like to do is see if there is a way—because I think there is no sense to this bill; I think there is no sense—to come up with a solution that meets their only goal, which is to save money. Would you be willing, as a mandate of that committee, to sit with the government and find a way to save them equivalent dollars some other way, because that is what drives them?

Mr. Murray: Sure. I think we see the provincial government as having the leadership role in this area. Right now, if you want to know, I am spending most of my time worrying about Sunday shopping, because I now have some responsibility for sorting that out. We have problems there, quite frankly, and to be quite candid with you, we realize that what we do in Winnipeg is going to affect municipalities around the city. We would like to see and would be very supportive of some leadership. Even if it was not exactly what we wanted or it was different than what we wanted, we would be very happy to sort of compromise, and as we do and junior levels of government always find they have to do, to whatever that kind of program was.

But we have not seen an alternative, and we have not had an answer to ours. I think the reason that I was directed by this committee, and I was not enthusiastic about this, and my advice to the committee repeatedly for the last three months has to be continue to offer suggestions rather than take strong stands, because I think that is the way to go. I do not think the patience is there and my colleagues. They are not convinced that this has been productive. As a matter of fact, they described the city's policy toward the province for the last six months as a failure. They feel that the Executive Policy Committee has not been successfully putting the city's case forward and has been too meek and mild.

I think that all it would take to change that tone would be for the province to say, yes, we will support one of these initiatives, or no we will not, but here are the initiatives that we would like to work on with you and we would respond very favourably to that. I think all of us who are in government or in opposition want to be part of making people's lives better. I mean, why are you sitting through these often hellish meetings listening to people like me if you did not have some strong commitment to making people's lives better? We all may disagree with it. I mean, people who elect us out there have different views about what that is, and hopefully we can work through our differences to accomplish some positive change.

I am quite willing to work with anyone in this room on any of the proposals that we put forward or if they have proposals. I know that there have been some positive things done in the past that we would

like to hear and we would be supportive of as a city. There is not a lot to grab onto right now. There is not a provincial program really that we see we can run out and support, unless you call this kind of thing a provincial initiative the city should be embracing.

Mr. Edwards: Just so I am perfectly clear and so it is perfectly clear to those on the other side of the table, if this bill were withdrawn tonight, you have the authority here today and you have made the offer previously to work with representatives from this government towards restructuring, rethinking, reapplying funds in the welfare system, and a part of that mandate could be to save an equivalent number of dollars, that is, the government's driving concern in some other way. You would be willing to talk about that and make that a part of the mandate of that committee if in fact they were willing to consider other options?

Mr. Murray: Absolutely. As a matter of fact, the Community Investment '93 proposal was put forward because it takes between \$4 million and \$6 million off our current tax supported budget next year, which is almost somewhere between a 1.5 and a 2 percent reduction in property taxes. If you aware of the deficit we are running right now in this current year, that is a gift that we would very much like to be able to pass onto taxpayers so very much. We have to be driven as much by fiscal conservatism in the small c sense of the word of restraint as I think of doing that. I just think we have to stop seeing creating jobs and getting people back to work and that idea as been mutually exclusive. I think, as I have said, what the city is arguing, and what I am arguing on behalf of my colleagues on the planning committee—because this has not gone to council, so I cannot speak for the entire council—but certainly from the planning committee and what we have been trying to argue, it is not a matter of getting more or less money. If we are going to get out of this problem, we have got to stop consuming government dollars and start investing them.

When you build a mile of road, when you rebuild an airport, you have a positive spinoff that is dramatic. When you spend that same money on welfare the money is consumed and it dies within the economy. It becomes a liability within the economic process as a consumption dollar when it is dead welfare dollars. The person getting it does not want to receive money that way. It does not

have any economic spinoff. It does not create anything. It just provides survival. If you can shift those dollars and get people who want to work back to work you create an investment, you start an economic multiplier, and that is what we have got to do.

We have a half a billion dollars right now on welfare and UIC. I mean, that number should astonish people. It should absolutely astonish people. I mean, if you can imagine in the Depression, governments having a half a billion dollars to spend on welfare and UIC in a city like this, that would have been a gift from heaven. Now we cannot even figure out a better way to do it than (a) keep people out of the workforce, keep them on welfare and UIC and now further restrict their ability to get an education, to get off welfare or to get a job even on a part-time basis. We have more rules. We have regulated people on welfare to death. We have created a ghetto. We have made it so impossible once you are on welfare to get off it because there are no jobs. You cannot even improve your job skills.

What does someone with two years, with no work experience and no education who—the only difference was, when they could not be absorbed in the economy when they were 18 or 19, and are now two years older with no work history, no further education, they are less likely to get absorbed into that economy than they were when they were at least 18 and could go to an employer and say, well, look, I am only 18, that is why I have not worked.

That is the logic that absolutely befuddles us. We do not understand it, because our experience is, and I think common sense would tell you, that person is not going to get a job. If there is someone—and the silence has been deafening on this, you know. It really has. I keep on waiting. I read the newspaper. I turn on the television. I listen to the legislative channel, and I keep on hearing the rationale. Someone tell me why that will not happen, please. Either I am a crazy person or someone has missed the entire boat here, you know.

If it is not me, then please step in and say, Councillor Murray, to the City of Winnipeg: Well, clearly you have missed the point here because here are the five points. Now, I have sent this back to the department five times for report. I have called national organizations. I have called other city welfare departments and other provincial

welfare departments and said, would you consider doing this? Does this make any sense to you? They say, no, everyone else is trying to figure out what kinds of job training and skills. How do you get people to stay in school, to get off welfare, because everyone knows without that high school education you are unemployable. If anyone believes that these people—if these people had jobs they would rather be working, you know.

How many of you would like to be on welfare? How many of you would like to go home to your families and your peers and have any respect with the people who care about you because you would be unemployed? How many people do you really think—and we get people who are defined as employable who are 55-year-old chronic alcoholics. There are about 2,000 of those on welfare, and the province tells us that these people are employable, therefore on city welfare. We have had arguments with the province that we have got people that should be rightly defined as unemployable. A 55-year-old man who has not worked for 10 years, who is a chronic alcoholic, and there are about 1,800 of those on city welfare, is not employable. In the provincial classification they are employable so the city can pay a greater part and not the province, and that is a frustration.

We could probably go through the entire city's last five-year history. I have gone down through Councillor Gilroy and Councillor Douglas, and I can go back five generations of my predecessors and the same old song has been the same for the last five years. I mean, this is not some new revelation. Everything I am saying to you has been said before. It was said two years ago; it was said three years ago; it was said four years ago. So if I sound a little demoralized and frustrated and a little more intemperate than I normally would like to be, that is partly why. I am the only one who is still there. Maybe there was some wisdom in my predecessors' actions.

* (2210)

Mr. Edwards: I appreciate the indication that there is a willingness to co-operate on these issues generally, but also with the mandate of fiscal restraint because, as I have said already, that drives this bill. I think I want to hold out to the minister and to the members of the governing party that that could be a reality and that is a better way to go. It is not the end goal that is unachievable; the end goal is achievable. This is just a misguided

way to achieve it. So I appreciate that very much because that is an important message to get out.

Mr. Murray: Mr. Edwards, may I just say one thing? I do not think I am scoring brownie points by being here. I said quite frankly I do not think this is the way to go. I am here at the direction of my committee. I think that I probably would have found some way not to come here, because I have the flu and I have 1,000 excuses that I could have used not to be here, including missing two other meetings tonight because we got rather short notice, if I believed.

I really lost my faith a couple of weeks ago when we were not even getting responses to things that I had given up most of my weekends to do. I mean I put a lot of time, as have my colleagues at City Council, and not gotten any response. If I actually believed that there was some hope, I probably would not be here. I am trying to be a little more temperate because I think we can change it, but I think there has to be a public plea.

I would say wonderful things about anyone, regardless of their political stripe, if someone stood up and had the courage to say, yes, we do not have money. The city has said that, we do not have a lot more money, and if anyone thinks we are coming with bags of dough, we do not. We are just coming with what we think is a better way to spend some of the existing dollars. We would applaud them. When they do not do that, they should expect to be criticized, whether it is from Winnipeg—this criticism is not new because if you have been following the VLT issue, which is something that has been a consternation for the city and for others, they get criticized by municipalities.

We are very, very frightened, as a city, to do it because we know we have a government whose mandate is dependent, has most of its seats in rural Manitoba. We, as a city, tread often on eggshells, some of us less often than others. I will tell you, there is a real fear that it is very easy for this government to ignore the city because it is not dependant for its mandate on the city. That is a suspicion, and maybe we all come with a different perception, but that is a deep suspicion. We have our prejudices and that is our prejudice. I think it is a prejudice of even some members of the Conservative Party that sit on City Council that you cannot win because the formula is not there, and for low-income inner city neighbourhoods, there is

a sense there is nothing to lose by cutting them loose.

I do not want to believe that is true. I am not that skeptical yet, if I can say that. I think that there is some concern there for low-income people, but there is some concern for the people we are talking about, but it has been hard to establish. I think that maybe some of the values—I have prejudices and values, and I guess that some people who come to City Hall do not get a fair shake because of my predisposition and values. I make mistakes as well. There is a bias in a different direction.

So I will tell you very frankly that I am afraid. I do not know how to work with this government because I sometimes feel that we as a city have no leverage. Because we do not have the kind of leverage, we often use the Manitoba Association of Urban Municipalities. As a matter of fact, if you follow council debates, when critical issues come up, there is a sense that if we go with all of the other municipalities, it will not become a Winnipeg-Manitoba kind of issue as it often does. I wish we could work through that. I think that, being honest, perception is there, and maybe sometimes we are to blame as a city government by overreacting and having an antirural prejudice sometimes, getting a Perimeter mentality. Do you know what? I think that has happened sometimes, and that we need to work through some of those things and try to establish some good faith.

Mr. Edwards: I think there is no question about what you have just said being correct. I do not want to keep you any longer because I know that you said you are feeling ill.

You are right, it is sometimes depressing coming to these committees. It is quite often depressing for me coming to these committees. We are not the majority, we do not have any ability to stop these. We are here because we want to make a difference, and I am pleased at your offer of working with the province towards the same savings in a better way.

So I just want to conclude by reminding the members opposite of Premier Filmon's statement, which I totally agree with, that the best social program is a job, and if somebody can show me how less education makes you more employable I would be pleased to listen, but it just ain't so.

I do not understand this bill at all, and I hope that the members opposite understand that there is a

desire and a willingness to work with others towards the same savings in a better way, because there is no defence for this legislation.

Mr. Murray: If I can just conclude very quickly. I think that we are pleased with some of the things. We are very happy that we have established an agreement to have ongoing meetings between our senior staff and the province's senior staff. We think that was very much supported by the minister and we appreciate that.

I do not take these disagreements personally. Mr. Gilleshammer knows that he has a standing offer from me to buy him lunch anywhere in the city anytime in any restaurant he chooses, and that offer will always stand. I think we always want to keep our door open.

We are often going to cross swords, and we have before. At times, the province has not been hesitant at all to criticize the city and vice versa, but I think as long as the doors are open, we can get through that. I think we have to. I am hoping, and I guess I hear that this is a priority for the province and if it is—and it is certainly our priority—then we are of one mind at what the objective is, and if we can find some way to find some common approach, then I have some hope.

Ms. Friesen: First of all, I wanted to ask you to thank your standing committee for pushing you to come. I do think it is important that the relationship between the city and the province be kept in the forefront of people's minds, and that that be part of the public record. I wanted you to also perhaps follow through on your offer to table some of the documents, if that is still possible. You suggested you had about 30 letters which indicate—

Mr. Murray: I should discuss that with the minister and make sure that he has his consent to do that.

Ms. Friesen: I understand that. Yes, that is why I was saying if it was still on the cards. But certainly, that is the evidence for both sides, for both perspectives, of the continuing difficulties in the relationship between the city and the province.

I would also be particularly interested in seeing the documents that you mentioned earlier, the ones where both you and the welfare department had done some research on other jurisdictions. I suspect that it is similar to ones that were tabled by an earlier presenter, Mr. Johnston, for the coalition on the rights of children.

It is something which I have tried to persuade the minister of, that there were similar programs which may not be called Student Social Allowances, but which served the same function. It is with some disappointment that I notice again here today that he was not accepting that as a principle, so I would like us to have the same documents and we can examine them and see if indeed there are some differences of semantics or if indeed it is a difference of function.

I was interested, too, in your mention of the Dutch elm program, because I know that is a successful one. I know people who work on it, or at least in the past have worked on it. There are some difficulties this year right now with people who are not being called back, and I know that is problem.

It seems to me that the city has gone out of its way on a number of occasions essentially to come to a government which has no ideological belief in job creation and to offer them a sensible program on the platter. They took it with the Dutch elm disease, and they were right to. It has been a useful program. I think both in political terms, in economic terms and in social terms of the changes in the lives of a few people in the city, that has gone a long way. It is an argument for continuing co-operation.

I was particularly interested by the summaries really that you have made tonight of many of the ideas and proposals that have been presented to us throughout the day. There is a sense, I think, from people of accumulated disbelief that the province can continue to want to do a program like this, to cancel a program like this which makes enormous differences at relatively little cost, certainly less than the cost of welfare and which makes such long-term cost-effective sense.

There is that sense of accumulated disbelief as to why they are doing this. I think one of the reasons for that is that people—and you yourself have said this—that it stems from an assumption of—

Point of Order

Mr. Gerry McAlpine (Sturgeon Creek): On a point of order, I came to listen to presenters. I did not come here to listen to the honourable member offer her explanation and interpretations. If she has a question, I wish she would put it, Mr.

Chairperson. I would ask you to bring her to order, please.

Mr. Chairperson: Thank you, Mr. McAlpine. You did not have a point of order, but I would remind all members of the committee that we are here to consider Bill 32 and there are still presenters waiting that have been waiting for a long time. I would hope that we could keep our questions and responses brief.

* * *

Ms. Friesen: Mr. Chairperson, I think this must be about the fifth paragraph I have spoken this evening. It is interesting to see how touchy some people are.

The suspended disbelief comes from the assumption that this is financially driven. It is my sense, in fact, that there are other factors at work here. Since you are coming here in a nonpartisan sense—I do not really want to get into those, but I think that is partly where some of the difficulties of people in understanding this are arising.

I wanted to ask you about the Student Social Allowances Program in particular. It is my understanding, from talking to people in the city Social Assistance Program, that over the past number of years certainly the civil servants, at that level, believe that the city has been subsidizing this program to some extent, because the students would come to the end of June, they would come to the end of their programs and they would then be turned over on a regular basis to city social welfare. As the caseloads grew at the social allowance level, it was often September or October before students could then get back onto the provincial program. So it was not even just the regular student summer; it was a longer summer.

I wonder if that is your understanding as a committee member and if there has ever been any costing of that over the last few years.

* (2220)

Mr. Murray: I could certainly get that for you, but we certainly have what we call the student tide. It comes in the spring and goes out in the fall, and basically, we pick up any student who is not employed. We need to find better solutions.

I notice that some of the honourable members on the government side are reading the Heavy Construction Association newspaper right now. That is one of the organizations that endorsed

Community Investment '93. They endorsed the city proposal. The Chamber of Commerce endorsed it. The Canadian Union of Public Employees did. Many economists have. These are groups that I spent a lot of time with, and if you know my politics, they are not my natural constituency.

But they have said to us—and we cannot afford, Ms. Friesen, the situation. If nothing changes, we will continue to see rapid growth in student welfare and in general welfare, and they will jump annually. The Heavy Construction Association, if you talk to them—and Mr. Derkach obviously has some familiarity with them—they are telling us, as a city, that many of them will be out of business next summer if we do not get them back. They have calculated for us and told us how many more people we will have on welfare when those large employers collapse. The city's deficit situation is so serious right now, and we are reducing our expenditures in that area so dramatically that many of them are going to be out of business and many of the companies that belong to that association will be out of business.

So it is starting to feed a cycle because, as we have put more money into welfare, we are spending less money on road construction. That industry now is at 30 percent of capacity. It is the lowest it has ever been since the association was formed. They are very serious. Once you have lost those entrepreneurs and those managers and those investors, you do not get them back.

If we lose a half a dozen or a dozen major employers, major heavy construction companies and ask them—I will say this right in the public record in Hansard, phone them. Phone Chris Lorenc. Ask him the state of the industry. Ask them how many of them are closing their doors next year if we do not do something. They are desperately supporting these programs.

We realize that we do not have more money to spend, so when you have students on welfare who want to work and you have people that want to hire them—and the city will pick up the extra tab because it is smaller dollars for us than the alternative. We are running a quarter-of-a-billion-dollar infrastructure deficit in our five-year budget.

We can put money in to keep those companies alive, to get students and people back to work, rather than doing these kinds of things, and keep

those employers active so we stop the cycle, so that the industry is not choked, they are not laying people off which becomes, because they are employable, city welfare cases, which means we have less dollars for road construction and things that are further choking the industry.

Everyone understands that. If you talk to Sandy Hopkins at the Chamber of Commerce, if you talk to Chris Lorenc at the Heavy Construction Association, if you talk to Ed Blackman at Canadian Union of Public Employees, they would all say that. Now there is a fairly diverse group of opinion. I am not an expert in heavy construction. A road is something I ride my bike on, walk on or drive across. So I have some trust that the industry knows whereof it speaks. This is not a radically new idea. This is something that is commonplace in many other jurisdictions.

So from that point of view, we would rather do that. We would love if the government withdrew this. We would love if we could find some way to make people more employable quickly to get them off welfare than this, we believe. We would like to have a greater partnership with the private sector in that, and I think they would agree as well.

I think this provincial government is capable and able of showing the leadership there. They certainly have demonstrated those kinds of partnerships with the private sector before and have done so very competently. We would like to continue that. We would like to be a partner in that.

We have asked for representation on Mrs. Vodrey's committee with the federal government on employment and training initiatives. We have offered to bring some money to the table as part. We have not got an answer back. We are hopeful that we will get a positive response there as well. I do not think we could have asked to be on the team more often. Do you know what I mean? So that is the direction that we would like to go in as a city, that we see as a priority.

Ms. Friesen: One last thing I wanted to clarify, and that was that you said one of the things you would ask for here is that the city be given the permission to allow those students on welfare, who will be on welfare, to continue at school.

Mr. Murray: Right.

Ms. Friesen: It will cost the province nothing.

Mr. Murray: It costs them nothing, and we believe it would cost us less because if they are not in

school, we do not see how we are ever going to find jobs for them, quite frankly. It is going to be very difficult. We will try, because we have to pay the bill if we they do not get jobs. We have a huge incentive.

I mean, if you can imagine what has happened to city government when we are the only city in western Canada that pays welfare. If you have looked at the struggles that were going over property tax, all you have to do is have a nodding acquaintance with the Winnipeg Free Press or your local television network to understand that.

When you have gone from 9,000 people to 33,000 people on welfare, can you imagine what that has done to the city budget? You cannot even plan for that. If we run another deficit this year, we are going to be looking at a credit rating downgrade. We have the highest credit rating. We are the only major government in Canada that has had a credit rating increase in the last 10 years. Our entire fiscal health is in jeopardy right now as a city because of our debt, which, quite frankly, is not for a whole generation of city politicians, we all inherit what we have—and because of welfare costs. There is no reason for it.

No other municipality—Regina is not undermined by that, Saskatoon is not, Calgary is not. Edmonton, which has much more diversified revenue, has 35 percent of its revenue coming from property tax, compared to 54 percent in Winnipeg. Every other major municipality in western Canada gets about one out of three dollars from property taxes.

We are the only major municipality that gets more than one of out of two. We have less revenue sources than almost any other major municipality. We are choked. Our costs are lower and that. It is impossible for us to properly support Student Social Allowances or any other employment. We just do not have the money to be able to do anything more without the province.

We cannot solve the problem ourselves, so if you give them to us, we cannot go out and hire a whole lot more employment officers to help find jobs for people. We just do not have those kinds of resources. So you are giving it to a government with less competence and less ability than the senior levels of government to solve the long-term problem, as well as encumbering the students involved.

Mr. Chairperson: Thank you very much, Councillor Murray, for your presentation this evening.

Mr. Murray: Thank you very much for your patience and listening to me. I hope we have a chance to meet again on more positive circumstances. Our door is certainly always open to finding some better solutions. Thank you for your time.

Mr. Chairperson: Thank you. Do we have a representative from the Manitobans Against Cutbacks in Education? They are the next listed presenter. No? That is the second call for that group. Second call for Dusty Britton. Dusty Britton, not present?

First call, Walter Stewart, Principal, R.B. Russell School. You may begin.

Mr. Walter Stewart (Principal, R.B. Russell School): I do not have a written presentation. Unfortunately, we had hoped these meetings would take place in June. My student, Jason, whom you called, was to lead a delegation of young adults. I was to provide support by throwing them in my van, buying them lunch, and being here to encourage them, and not have to speak very much.

Unfortunately, the fact that with these meetings taking place now in July, these students are—Jason himself is out of town on a job, and the students I did try to reach—unfortunately, Student Social Allowances recipients do not generally have phones in the summer. So I could not reach them, once I found out this afternoon that the meetings were on.

So I am here more representing them and trying to speak and share some of their views. I wish you could have heard them, because they would have shared with you some stories about their successes and why Student Social Allowances has been important to them, as students who are either graduating, as adults who have come back, as young adults who are now entering their graduating year, or as students who are about to turn 18, and see this as the incentive that would have helped them get through their high school years.

They would have talked to you about the fact that they already recognize cuts in our infant daycare lab. We have over a hundred students who have children, and they recognize that cuts to our spaces and to additions to the amount of money that each of the moms is paying is already hurtful in a school

that is riddled with poverty. They would have talked to you about what it means to be a student in the inner city, what it means to be an adult trying to come back from dropping out.

* (2230)

Most of our students—I should not say “most”—I would say 50 percent are students who have left school and are returning. We seem to cater to them at R.B. Russell more than any other school; consequently, we cater to students who need student social allowances more than any other high school. We had approximately 125 students on the student social allowances roll this year. These are made up of students who are adult, who have left the city welfare rolls and have wanted to come back.

The relationship between city welfare and the provincial Student Social Allowances Program was a very positive one and has been, in my understanding, for the 12 years I have been associated with the Student Social Allowances Program. We have young adults who have left home, not because necessarily it is a free ride, have left dangerous, abusive situations that you almost could not believe unless you actually take a look at them, you actually visit them.

We have a number of students who are 18 who have left the Child and Family Services program who are continuing on with us, a large number of those. We have young adults who would just—for them this is the incentive, this is the incentive not to leave school.

This is what the federal Conservative government really is talking about, I think, when they talk about stay-in-school initiatives. It is really ironic to me that we would have a federal Conservative government trying to spend millions of dollars to encourage students to stay in school and have a provincial government doing something which really is ending the most positive stay-in-school program we have in the province of Manitoba.

My relationship with Student Social Allowances workers, people who work in that office, goes back 12 years, as I said. It is not easy, as a whole bunch of people tonight have said, to get on Student Social Allowances. It is bloody hard. I have to go through with our students that list of criteria, list of things they have to supply. The schools have to help them dig it all up, because most of these

students do not have social insurance numbers, they do not have birth certificates, and they have to get this stuff together. They have to have a statement from their family indicating what their income is. They have to bring, come prepared with last year's tax statement, a copy of that. They have to have a fair amount of information that in the schools we help them get. They have to make the appointment, and then they have to negotiate how much money that is going to be.

I would suggest to you that the fact that we are losing the Student Social Allowances Program, if these students have no choice but to go on welfare, it really is not going to be an equal split. It is not going to be, you take them from one roll and put them on the other at the same cost. It is going to be more.

The program you are cutting has some really excellent criteria and part of the criteria is the ability to identify the needs, financially, of those students and whether they in fact need to have extra money for lodging. Where the family is deemed able to pay that, they do not get that money. They are getting approximately \$320 a month for all their other expenses, but they are not getting rental expenses. So, if they are getting about \$300, they go to the city, just drop out of school, like a whole bunch of my students do every year. They just say, I cannot live this way anymore. I have no money. I need a letter from you to take to the city welfare so I can go on welfare.

I have no choice but to give it to them. I try and delay them. I cannot. But they will go down there and get \$500 a month, because there are no criteria by which the city can decide whether they should be able to live at home or not.

The system that you are ending is run by people who are competent, tough. These counsellors, I had lots of fights with them because I used to be the advocate for the kids. They are darn tough people. Nothing got by them.

We are talking about 1,000 people on Student Social Allowance, you are kidding yourself if you think there are only 1,000. If you actually check the records of Student Social Allowances, you will find that in any given month you have about 1,100 or 1,200 students on the Student Social Allowances Program. If you add them up over the year, how many people have been involved in the program, you are going to hit about 1,800. The reason you

are going to have different numbers, you have a photograph at any month where you will get 1,200, where you have semestered schools where students are leaving at the end of January, a whole bunch of new ones starting.

You have kids who just leave. They drop out. In my school, we had 133 students who during the year were involved with Student Social Allowances. In the month of June there were 70, and I do not see that as a failure. I see that as a tremendous success.

A number of those students left, they went up north, they went looking for jobs, some of them are on the streets, some of them are prostituting themselves, some of them are just too sniffed up and drugged up to be any use to anybody, including themselves.

The reason they are not there getting money from Student Social Allowances is the criteria is very straightforward. It says, you have to attend and you have to work. At the end of each month, their teachers have to fill in their exact attendance, they have to list their progress, and I have to sign and stamp every single letter that goes to Student Social Allowances indicating the progress of every student receiving that money. If they do not like it, they call the student in and they deny him money for that month. It is a really good incentive. It is the closest thing my students have ever had to earning money through their own efforts.

My students at R.B. Russell High School, we are about 70 percent aboriginal, a growing immigrant population, and the rest a mixture of special ed and different colours, but mostly aboriginal.

Recent statistics from our school division indicate that in my school 75 percent of my students come from welfare backgrounds, 75 percent approximately are from single-parent families. I suspect that most of those are the same. When you take a look at that kind of population, we have a population that starts—our youngest are about 15, our oldest will be over 30. We have a whole number of adults who have come back to try and get their Grade 12 standing with the help of Student Social Allowances.

If you look at what they bring with them, it is nothing. It is absolutely nothing. They come from a background of abuse. They have never worked. Generally, they come from families where there has never been anybody working. There is no model

present in their family to demonstrate that work is something they should do or could do, have the ability to do. They have no confidence.

Why do we not have this room full of inner-city residents, aboriginal moms and dads, aboriginal young people? Why are they not here? First of all, they do not know about it. Secondly, they do not know they can make a difference. They have never been able to be successful at these kinds of things. They certainly do not think their voices count.

They are going to go out and look for part-time jobs? Forget it. They just do not feel that anybody is going to give them a part-time job, because they still think there is racism out there, and I hate to say it, but it is true.

So the majority of my students who receive student social allowances are native, are poor, come from abusive families, come from alcohol or sniff backgrounds, come from backgrounds where there has been no work. They are used to welfare.

They have recognized that the only way that they are going to make it is through welfare. What you are doing is saying to them, you are right. Go back to welfare, and it is damn easy. They just walk down the street and sign up. They know once they do that, they cannot come back to school or they will be cut off. So they are gone.

There are no alternatives for them. There are no alternatives, and I wish there were. I would love to be on a committee that explores what we could do to change things to make it better, to make the criteria tougher, to make sure nobody is just living off taxpayers' money without doing anything to earn it.

You look at some of the amendments. You are saying, grandfather current recipients. Well, that is okay. So for a couple of years you have got somebody getting something. But that does not answer it. Grandfather certain categories, I do not know. Again, we are talking about bits and pieces. Amend the legislation to allow the city to develop a program. I guess if the province really cannot see any way that this makes sense to carry on—and I still cannot believe this government cannot look at this and change its mind, but certainly it has got to find some way to help the city develop a program.

Realistically, what I wish would happen is that this government would say, we moved too quickly, maybe we do need to study the effects of Student

Social Allowances. Maybe we need to take a year and take a look at the 1,200 or so students who received benefits, follow them up, get some statistics from our people in the field, find out whether it is making a difference. Let us see if they graduate. Let us see if they get jobs. Let us see if they go on into university, and the ones who are in university, let us see if they, in fact, are successful.

Let us find out whether we are throwing out a very, very happy baby with some dirty bathwater without even finding out whether or not that makes sense. I do not think it does make sense. I would give all the time that I could, and I know a lot of my colleagues would as well, to help in any process that gave us a chance to be involved looking at how we could make this work.

I think just taking a program away without any consultation, without any ability to kind of plan for the future with these students, is really unfair.

* (2240)

So I would say to you that if we are going to do anything about the dropouts—and we talking 30 percent who do not finish high school; in the aboriginal population, that is 85 percent. In Winnipeg, you know the size of our native population. Student Social Allowances recipients are largely from the Winnipeg School Division. If my school has 125 students over the year out of what I would estimate being about 1,600, 1,700, 1,800 students overall, and you throw in the Adult Education Centre and a bunch of the other high schools in the Winnipeg School Division, I would bet 50 to 60 percent of all those students are Winnipeg School Division students.

The Winnipeg School Division already admits, recognizes that 35 percent of our population is native. We recognize that our dropout rate is incredible, and we recognize that our most at-risk students are the students who are poor, aboriginal and stuck in the core.

I would ask you to please reconsider. There is a lot more at stake here than a couple of million dollars. If the program has to go, please give us something to replace it with so that we do not lose this along the way. I appreciate your listening to me. Thank you.

Mr. Chairperson: Thank you very much, Mr. Stewart, for your presentation.

Mr. Edwards: Mr. Chairperson, I want to thank you as well, Mr. Stewart, for making the effort to

come here. I hope that you will express to the students who intended to be here that we would have appreciated hearing them. However, we understand that the circumstances did not permit that.

I wanted to ask you, you have made a very, I think, generous offer to sit down and to discuss alternatives to this. I think that is important, because tonight, to me the reason from what I have heard that this is being done is not so much to do with workability of the program. I did not sense, I do not hear and I have not heard in the debates on this bill that it is grossly inefficient or the people doing it are not doing a good enough job, or it is not doing what it is intended to do. That is not what I have heard. So I am not certain that the real nub of this is that the program itself has not done what it was intended to do.

I think what is driving this is there is a feeling that this is an appropriate place to save dollars. It is just a cost thing. It is just straight money. To that extent, what I would ask as well—and you heard me ask it of Councillor Murray—is that with that mind, with that being the driving point of this, would you have some ideas, would you be willing to sit and discuss with this government as one who has a significant interest in this area, other ways to save those dollars, perhaps ways that would have less effect on what we are trying to do, which is help people get jobs?

Mr. Stewart: I am certainly prepared to do whatever it takes to find some way of keeping students in school. I am involved in a number of projects on dropouts and early-school leavers, we call them, because "dropouts" sounds even more negative than we think it should. It is devastating, on one hand, to be looking at ways to keep people in school and on the other hand, realize we cannot support them financially to stay.

I do not have any ideas for how to make this work. I really do not. I recognize the fact that it is money. I recognize the fact that the provincial government does not want to pay this money out, and I recognize the fact that the city probably cannot afford to. I also recognize the fact that caught in the middle are a whole bunch of students, and it is not just the ones that are there now, it is all the ones that are still to come. The amount of poverty in the inner city of Winnipeg is not going to change.

We have programs in my school that are geared to getting kids into the workforce. We have everything from work education that goes with our regular vocational/academic training right through to Partnerships with Business, to a new mentorship program with Winnipeg 2000: Career Beginnings, a vocational practicum involving a whole number of other industries where our students are out for two months at a time.

We have provincial government and federal government support for a whole number of work projects that go on in the summer. We do everything we can to get our kids experience, because they have none. They do not have what I had. When I was a kid, I had to work from the time I was what, 12 or 13, but there were all kinds of little jobs for me to get that experience at and I always felt I could do it.

These kids, quite honestly, most of them have never seen work; they do not understand what it means to commit themselves to that. They need the experience; they need the success. The best way we have been able to give it to them is through success in school and in that a kind of sharing with the job market on a short-term basis to get them out in the workforce, so they can realize they can do the same job that the guys who are making \$10, \$15 bucks an hours. They are doing it on a volunteer basis and they are doing as good a job as somebody who is being paid the money, but they have never seen themselves as productive workers, and they never will unless we wean them into it. It is not as simple as just saying, go out and get a job. It just does not work that way. My kids, both students, are high school graduates, it is not that easy to get jobs, it is not that easy to get into university.

Mr. Edwards: As I have said, accepting the assumption that what is driving this is cost-saving and cost-saving alone, you heard Councillor Murray say that he felt that of the 1,000 or 1,100 or 1,200 who were on this, the vast majority would end up on welfare. Of course, that would make any apparent cost-savings evaporate quickly because regardless of what level of government or what tax source it is coming from, there is one taxpayer. Those savings would be lost if these people walked down the street and signed up for welfare for more money than they would be getting on the Student Social Allowances Program, and, as you say, no criteria at all.

Given that, and Councillor Murray's indication that he feels the majority would go back, of the ones you know and you have known, the hundred or so who you have had, what is going to happen to them without this program? Are they going to, as has been suggested, be able to do both, be able to turn to their parents to get financial support, be able to find these other resources, which I believe are fiction but in fact are being used to defend that we will save the money because they will just find the money from other sources? Is that likely to happen?

Mr. Stewart: I have no idea. I suspect that some of the students will continue. They will struggle and they will do something and they will try and come to school. I think the majority will go on welfare, and some will lie and will come to school and go to city welfare.

This whole nonsense about two courses, the city welfare workers do not allow anybody with any courses to get—I have only run across one, in my 12 years of working with city welfare, who would allow anybody attending school to get any kind of support. That is because the notion of two courses means different things to different people. It is no longer a legitimate criteria.

A course in a semester at school is two hours a day, a course in another school might be 35 minutes, a course in some cases could be an actual professional course, which is in my school if you take cosmetology. It is 50 percent of your time for just one course. So what is a course? Rather than try and figure out, they just say no. I am besieged by kids usually well into the year, November, December, coming in and saying, I have to withdraw from school, that is the only way I can survive. I need money and I cannot get a job. I cannot get Student Social Allowances because I am not attending well enough or whatever. So they say, I will go on welfare. It is automatic, they go on welfare. I do not see any other answers.

I think through the schools we can do some things, like we have to provide some incentives, too. We have to use whatever financial resources we have. We do bingos like they are coming out of our ears. Thank you, provincial government, for supporting the bingo program through Lotteries because that provides me money to help kids. Five thousand dollars last year I put into needy kids, for diapers, for everything under the sun, even to help with rent if I had to, through school money we

raised, through doing bingos and other kinds of donations and things like that.

But that is not enough to keep kids in school. It has to be some program. It has to be administered in such a way that there are expectations and if you do not do it, you lose the money. That is why student social allowance has been so valuable because they have been really strict. There has not been any fooling around. It is not a free ride. It is either do it or else. If you do not come across with the goods, you are not going to get any money.

If you ask every counsellor in the city who has a dealing with student social allowance what they thought of the workers, they would probably all say the same thing. They would say, they are bloody awful. They are bitchy. They are crabby. You cannot get through to them. They will not listen to you. They do not care about kids. It is just the opposite, but they are seen as tough and mean and unsympathetic and insensitive. What it is, is they are saying, these are the rules. You have to play the game. If you do not play the game, you do not get any money. It is a great system.

Mr. Edwards: You used the word majority there as those formerly on the system who would now return to welfare. Just so we are clear, because I think that is what is driving this, is we are going to save a lot of money, but you are saying, or maybe you want to clarify it, that a majority of the people who were on this program, when it is cut, will now be on some other form of social assistance.

That is critical to me. I think that is critical to us because that undermines and undercuts the entire purpose of this legislation for this government, which is to save money. If it is not going to save us money, there is really no other defence for the bill, so I want to be clear on that, that in your estimation, and the people who were involved, the majority of those are going to end up, you think, in your estimation—there is no way to predict it entirely accurately—will end up back on welfare or some form of social assistance, which is going to cost us again.

* (2250)

Mr. Stewart: Of course, and everybody, I am sure, all the people sitting on this side of the table understand that too.

It is obvious. We have students who take a cut in the amount of money they get because they left city welfare to go on student social allowance. I have a

fellow who has had a tough time making ends meet because he has a family. It is a common-law relationship. He is trying to support his girlfriend and her daughters. I am saying, you cannot do it. He says, I have to do it. I have to graduate. I have to get my Grade 12. He left city welfare and took a cut in the amount of money he was receiving in order to go on student social allowance.

Again, to me, it is a real—I guess it is a bonus for the school system to be able to see that they can make less and work harder through a system like student social allowance. The alternative is to not bother going to school, go on city welfare, do nothing and make more. Everybody, I think, has to agree that does not make sense.

It is whether or not we have some way that we can work out, still at this 11th hour, some system whereby the students can access that kind of support, with all the criteria there is now, so in September we can start off and say, yes, we are open for business.

You adults out there on welfare, you want to get off welfare, come back and get your ticket, get your Grade 12, get your adult literacy, learn to read? You know, whatever it is we need to do to get them back in the workforce, where we can give them an incentive that says, we will give you the same amount of money, maybe a little less, but you can come to school. You do not have to sit at home all day and watch TV.

Mr. Edwards: Well, I agree entirely. I would be prepared to discuss here tonight and anytime another program that had the same goal and perhaps could better achieve the goal. I do not know.

I have not heard of any suggestion. I have not heard one about something that is to replace this, something that was to do anything this program has been doing.

Have you? Have you had any discussions with any of the people you deal with as to anything else these people can do to continue their education? I have not.

Mr. Stewart: No. I am afraid I have not. I am not here to get embroiled in a controversy or a political debate. I just want to carry the message that this is one school that is deeply hurt by the cuts, and it is a whole number of students who are already disenfranchised in a lot of ways who are continuously beaten down.

I would like to see someday when these kids can pull their own weight. Right now they are lepers in the system. They are just going to hold back any economic viability you ever expect to achieve because they are never going to get off their butts. They are never going to be able to reach up and reach for things, because they just do not have any experience of success.

So I am kind of really pleading that something gets done that allows that, because it is a big chunk of people. It is not just 1,200, 1,500 now. You add it up over the years, it is a big chunk of people.

Ms. Friesen: Thank you, and thank you for coming. I am sorry we were not able to hear from the students, as well.

One of the things you said struck me, and it rang a bell with something I tried to ask the minister some weeks ago in the House, is that when you have 1,200 students, you are essentially—and I am estimating 30 students per classroom, and I do not know whether that is right at this level or not, but that was my estimate. Essentially you are closing down 40 classrooms in the inner city of Winnipeg.

How would you estimate that? What is the effect on the whole system?

Mr. Stewart: I do not know the impact on the whole system. Certainly, there is an impact on the system. It is spread out enough that in my school it would be devastating because we have programs we have designed for adults, specifically for adults who are coming back to pick up some literacy, both their regular reading and writing, as well as computer literacy. Our Grade 11, Grade 12 programs are really focusing on their skills and their job skills. We put a lot of money into the kinds of programs in our schools that will meet those needs. It will have impacts there.

I do not know what the impact generally will be. Certainly, it is the older kids. It is the students who are close to graduation in most schools. My school is unique. I have 18-year-olds in Grade 10 and Grade 11. They have not been in school, and they are coming back and they are starting over. But in most cases it is students who have kind of hung in there, and they are reaching a time now where it probably will affect them in that last couple of years of school, or the chance to re-enter after being out of school, the need to upgrade and knowing they cannot afford it.

In St. Vital, where I live, there are all kinds of kids going back into Dakota and Glenlawn to upgrade, and it is no big deal. They just live at home and they do it. They do not need the money. They can maybe pick up a little part-time work at the malls if there is any room because most of them are full of graduates working 15 hours a week.

But in the area that I service in the inner city, that staying at home and going to school runs pretty thin after a while. There are not that many homes functioning for some of these kids, and so they are on the street a lot. The longer they are on the street, the less chance there is going to be of them getting anything productive that they can offer society.

If you want, drive through the area and see the number of young girls who are hooking out there every night of the week, and every morning and every day. Right now, if you drive around R.B. Russell School, the number of young 15, 16, 17-year-olds who are out there prostituting themselves, and I guess I really would like to think that there is more incentive I can offer them when they turn 18, so I can get them off the street and back into school. I am not going to get them off the street when they are 16 and they are making money, but when they are 18, I can.

Mr. Martindale: Thank you, Mr. Stewart, for making a presentation tonight. I always appreciate going to R.B. Russell School, particularly for your graduation, and seeing students get their Grade 12 diploma whom I have known from 10, 12 years previous as children, and it is great to see them graduating from R.B. Russell.

It is also very sad to think that the prostitution is so close to your school. It is a new area, and the residents in that neighbourhood have been very much opposed to the johns coming into or very close to a residential neighbourhood. Obviously, you see the social problems in your school and very close to your school and care very passionately about that.

You said that students feel there is no alternative. I am wondering if they see the student social assistance program as an alternative, and whether students feel differently about living at home with parents on welfare as opposed to being on their own and in the Student Social Allowances Program.

Do students feel differently about themselves depending on which of those circumstances apply to them?

Mr. Stewart: I really do not know. I cannot remember the number of students. I would think the majority of students on Student Social Allowances do live at home. I think half of my students who are on Student Social Allowances still are living with their mothers. Generally it is mothers, as you are aware, in the inner city. Most of the single families are mother dominated. I would think that any young man who is 22, 23 years old who is getting help to live on his own, a provincial grant to live on his own and go to school, is accomplishing two things: 1) he is getting his education, and 2) he is learning how to survive.

I do not know if any of us ever learn how to survive when we live at home. I do not think we truly learn that until we get out. School does not really help you very much either. School just gives you some skills so you can get out, and once you get out, you really learn how to live and you survive.

Most of our students are not learning a lot of skills at home, and the sooner they get out on their own, the better chance they are going to have of actually making it in society. They do not come from families where there are a lot of chances to learn lots of social skills and develop themselves in terms of their ability to give something back. There is just too much crisis.

People in the inner city of Winnipeg and people who are families of a lot of your Student Social Allowances recipients are not the kinds of families that have the time to do what we would hope families could do in terms of nurturing. So when people say they want to get out of their house at 19 or 20, it is not always—I do not see that always as the kid just trying to get something for nothing so he has a place to party. In some cases, it may be the difference between life and death. In some cases, it might be the difference between actually having a chance to learn how to live in society or how to be totally dependent on society.

The longer you live in situations where everybody around you is dependent, dependent on welfare, dependent on abusive situations, dependent on solvents or whatever, the longer you live with that, the less chance, I would think—and I am not a psychiatrist, I am a counsellor and a

principal, but I would think that the longer you live with that, the less chance you have of escaping it.

* (2300)

Mr. Martindale: You said that many of your students on the Student Social Allowances Program are getting \$320 a month. I have the City of Winnipeg Social Services Department information booklet on city welfare, and it has the monthly social assistance allowances effective April 1, 1993. Now, if these figures are not current, the minister can correct the record. He has much more information at his fingertips than I do.

If you add up the amounts that a single adult would get for food, household supplies, clothing and personal needs, and rent, it comes to \$536.80. So there could be a big difference between somebody getting off city welfare and going on the Student Social Allowances Program, in the example that you use, \$320 versus the figures that I have of \$536.80.

Now, I have heard many ministers in this government criticize us and use the expression, but it is the same taxpayer. I will give you an example of that. When they abolished 98 local housing authorities, they said they were going to save \$3 million. I pointed out they were only saving \$1.5 million of provincial money. The Minister of Housing (Mr. Ernst) said, but it is the same taxpayer. In this case, if you want to use their line about the same taxpayer, it is going to cost that same taxpayer a lot more money.

So why are they doing it? The only thing that I can think of is a potential saving that Mr. Murray talked about of 20 cents on the dollar of offloading to the City of Winnipeg. Can you think of any other reason why they would cancel this excellent program?

Mr. Stewart: I guess the only other reason, and I cannot put words in anybody's mouth, would be that they do not think it is effective, that it is working. Again, I do not know if that is what the member—I would love to have a question from this side of the table, but I understand what is going on here.

I guess all I would say is that if part of the reason for cancelling this program is that the integrity of the program is in question, whether it is the effect or the efficiency or whatever, then I would really ask that we take a look at studying something like this before we cut it, and see whether or not there in fact is waste, in fact there is no effect.

Maybe that has been done. Certainly, I have not seen that. I do not think, through my contacts with Student Social Allowances workers or anybody else—nobody seemed to know this was coming, but I believe this a worthwhile program. Whether its form changes, that is a whole different story.

I think the need for this type of program is there. It is very essential to my community, and I would ask that you reconsider. I would ask that you look for alternatives. I would certainly ask that you consider a review, an ongoing review rather than a total cancellation, so that between the province, the city and the public education system, we can take a look over the next year at what maybe we can do together.

Certainly, by just cancelling it, you have left us in a situation where the schools are somewhat helpless to provide support, and I am hoping that the city will not be as helpless as we are because we feel totally helpless to the kids and the parents who asked us. I am saying, hey, it looks good, looks good. The province will not do this, okay? Something will be worked out.

It is going to be very disappointing to have to tell them that it does not work out, that democracy does not always result in what they think it should.

Also, democracy is a wonderful process, but is very tiring. You look like you have had a long day. I really appreciate your listening to me ranting and raving. I do have some confidence in minds around this table being able to look at some logical solution to this, and maybe some alternatives. I appreciate the chance to have listened to a lot of stuff tonight that I found really energizing as well as to be here and speak with you. Thank you.

Mr. Chalrperson: Thank you very much, Mr. Stewart, for your presentation and taking the time and for your patience.

Mr. Ken Gullford (Private Citizen): I do not have any copies of this.

I enjoyed listening to the speakers tonight, and I am little bit astounded. I just cannot figure it out. The Conservative government I see here tonight, not only tonight but other times—you guys, I know business is driving you, but you guys should be looking at yourselves and be deeply ashamed. I am very disappointed in all of you. I have known some of you, and I would like to have known you on better terms.

This bill is terrible. I am walking in the streets, walking at work, and I have talked to a lot of people. I have come here tonight and I am very disappointed that there are not more people here to speak, although I think about it and I look at you, the government. You should be proud because you have made the people so disappointed in you, they do not know what to do. They do not know where to turn. You have taken Bill 22, the government bill, you are cutting down people's work schedules, cutting out the wages of the people. I spoke on Bill 22 a couple of weeks ago. Some of you people were here and some of you were not.

I have sat here tonight and listened to people. You guys have not said boo. Well, I should correct myself. One person over here, I am not sure who—the Honourable Jean Friesen was speaking. I agree with her. It was the first time she had an opportunity to speak. Mr. Martindale did a very good job. Mr. Edwards was doing a good job, but somebody over here, I do not want to know who it was, interrupted Ms. Friesen, and so she had to collect her thoughts again.

Well, you guys have not said dick all night. You guys should be ashamed of yourselves, and you are laughing here. What is your name? You are laughing. Yeah, big joke. I know. We are the big Conservative government, so who cares?

A long time ago, there was a gang in England led by a man called Robin Hood. He used to rob from the rich and give to the poor. He lived in Sherwood Forest in England. I am not going to continue with this fable. Some of you know it, some of you do not. If you want to find out more, look it up.

Today, what the Conservative government, the present government is doing is stealing from the poor and giving to their business cohorts and the rich, and you are still laughing. It is still funny, is it not? Big joke. Ha, ha. You people are quite capable of reading and learning more about this gang, and I am sure you guys are going to continue and continue to do the same thing, hurt the people.

My friends, I can see that times have certainly changed. Yes, they have changed. They have gotten worse. You can cut many social programs during your tenure. I spoke recently against Bill 22, a bill in which the Conservatives want to reduce the number of hours government employees work per week and reduce their income. Bad, bad.

I would like to again say that we are in a sad state of economy. We need to assist the people, with the education of all peoples. When people go to find work and jobs, one of the first requirements is that they must have an education. Maybe you guys are old enough, most of you are a little older, so maybe you forget about education. They need work experience. This way they can do it. Cut this out and I do not know what is going to happen.

* (2310)

It would be great if we were all rich and could afford to stay home with our families and get at least a Grade 12 education. I was able to do this and was able to obtain my Grade 12, and I have had several jobs throughout my life span. I would like to thank my mother and father for all of the things they have done for me. I was lucky. Both my parents were married for over 40 years until my father passed away six years ago. Today, however, I am sorry to say we are living in very different times.

More and more people are being raised in single-parent homes. Unfortunately, I am one of them. People are finding it very hard to make a living. Our education system is failing. I was very disappointed to hear that school divisions are being held to a 2 percent tax increase. I could only—I do not want to think about what is going to happen, because I can see layoff, layoff, layoff, layoff. Jobs, jobs, jobs, that is what Mulroney said and out they went—free trade. You guys are doing the same thing here.

I can see many serious problems with the government passing this bill. I certainly hope that I heard the wrong amounts or that the government will throw out this bill. I feel it is critical that you get rid of Bill 32, a totally useless bill, one which could very seriously cause many serious problems.

I would like to know if this present government really is interested in helping the people, or are you just interested in helping your business friends? I already have a strong sense of where your hearts are.

I really feel it is important that Student Social Allowances is continued so the people may be eligible to work and continue their studies at the same time. If they are taking courses which do require a lot of extracurricular studying, then let us continue to give them economical assistance. Let

us assist them. Get them back to basics, and let us all get back to basics and help all of the people.

I strongly believe that everyone was created equally. We are what we are due chiefly to our circumstances. We are a proud people and given opportunity, we will be just as smart as everyone else. I am proud to say that I am Canadian. I hope all of you may say the same thing. Dig deep in your hearts and souls and pocketbooks. Find some more money in order to help poor people get an education, instead of what this Bill 32 will do, another useless bill from the Conservatives. Business agenda, I am sure.

I would like to say that the Assiniboine River diversion is another prime example of what things this government and the federal government are doing. I had asked a couple of members of the Legislative Assembly if I could get more information on this project of the Assiniboine River diversion. To date, I have not received anything. I understand it has been stalled, thank goodness. I was pleased to hear that.

I understand there is not nearly enough information about this project. I am glad they stopped it. I would strongly suggest that this present government find out all of the facts to any project it undertakes. You disappoint me. Thank you.

Mr. Chairperson: Thank you very much, Mr. Guilford, for your presentation. Are there any questions or comments? Hearing none, I would like to thank you again for your presentation and your patience in waiting to make the presentation this evening.

Mr. Guilford: I can only say that I hope that it is thrown out.

Mr. Chairperson: Thank you. Second call, Dale and Larry Walton. Dale and Larry Walton? Jean Altemeyer? Jean Altemeyer? Sheila Weir? Sheila Weir? Michelle Forest? Michelle Forest? Shauna MacKinnon? Shauna MacKinnon? Liz Wolff? Liz Wolff?

That completes the list of public presenters that I have before me. I sense there is a willingness to move into clause-by-clause consideration of the bill.

Mr. Martindale: I wonder if there is a willingness on the part of the committee to rise now and consider clause by clause tomorrow or Monday. This would give the government a chance to think

about and/or draft amendments, or withdraw the bill, or sit down and consult with people in the community to change the program or improve the program, as we heard suggested several times by presenters.

Mr. Gilleshammer: It is still early in the evening, I think, compared to what other committees have been doing, and we are prepared to do clause by clause at this time.

Mr. Edwards: Mr. Chairperson, just before we get into the specific clause by clause, is the minister planning to present any amendments to this bill, I would like to ask at the outset, and is he willing to consider any amendments if he has not brought any with him?

There are a number which we have heard proposed tonight which would, perhaps, mitigate some of the perceived and, I think, very real downsides of the legislation.

I wonder if we could see at the outset or hear from the minister as to any amendments he has as to whether or not he is willing at all to consider amendments.

Mr. Gilleshammer: I have a very minor amendment that is not a substantive one to do with the date in the final clause.

Mr. Edwards: Just so I am clear in answer to the second part of the question, is the government prepared to accept amendments on any substantive issue dealing with this bill, given some of the suggestions we have heard during the presentations, even the desire to mitigate some of the downsides in terms of simply allowing those who may end up back on welfare to go school?

Is the government willing to consider some of those amendments?

Mr. Gilleshammer: I would say to the member that our intention is to proceed with the bill as presented. However, I would say to the member that the whole social allowances area has many, many components to it. It is a very dynamic area. I would not preclude that there would be changes coming at a later time.

Mr. Edwards: Well, then, I wonder if we might not, given the indication that there may well be changes at a later time, whether or not it might not be wise to abeyance this until such time as we have those changes, so that we can do it respecting the comments we have had tonight about the

downside. It would seem to me to make sense to do that.

I understand the minister is set in his ways, wants to get through this, but if he acknowledges some of the downsides, let us do it as one package so we can both understand what the downsides are and mitigate them.

Mr. Gilleshammer: Well, I do not want to mislead the member. Our intention is to proceed with the passage of this bill at this committee stage this evening.

I have indicated that the social allowances area is a very dynamic one. Honourable members will know that over the course of the last three years, we brought in 10 or 12 changes, enhancements to the system.

I am simply saying to the member that I expect that in the future, there will be other changes that will impact positively on social allowances recipients.

* (2320)

Mr. Martindale: Before we get into clause by clause, I would like to make a few comments. Before I do, earlier today I asked the minister to table a document, and I was, I guess, ruled out of order. I was told it was the wrong time to request documents.

So I would like to give the minister the opportunity now, if he or his staff have any studies that were done, any analysis that was done before the decision was taken to eliminate the program, either about what the students would do or the availability of jobs, or how many could go home to live with parents, or the cost to the City of Winnipeg social assistance budget.

Mr. Gilleshammer: Mr. Chairman, my understanding is that this is a time for opening statements and getting on with the clause-by-clause consideration of the bill. The member is well aware that we spent an excess of 30 hours in Estimates where honourable members bombarded me day after day with questions on issues such as this, and information and documents were provided at that particular time.

Mr. Martindale: Well, the minister is saying no. I will make some comments before we go clause-by-clause. As I think members all know by now, we are very disappointed that the government has chosen to introduce this bill. They have done it

with no consultation, as we have heard from the City of Winnipeg, in spite of the fact that it is an excellent program.

We heard repeatedly from presenters that it gave them hope. They knew that if they could finish their education, even their high school education, they could get off social assistance. We heard from presenters like the vice-principals at the Adult Education Centre, that their students were very highly motivated. We know that many of them went on to university, that many of them were excellent students, and that many were better-educated and therefore better able to get employment.

Many people said that education is the key to the future, something that this government said in their budget. Many presenters said that education is an investment in the future, not only of these individuals but of society and of our economy. We heard people say that one particular group of students that this program was particularly important to was the wards of Child and Family Services agencies who turned 18 and were unable to go home, and who were enrolled in this program after they turned 18.

The Free Press editorial said they could not understand why the Premier (Mr. Filmon) of this province would want to be remembered as the Premier who kicked students out of school. Councillor Murray said that the province was pushing them out of school. We know that most of them are going to end up on city social assistance. Some of them, we are told, will turn to crime and to prostitution.

One of our presenters is on parole from Stony Mountain penitentiary and pointed out that the cost of incarcerating someone for a year is approximately \$40,000, a much, much greater cost to government than the Student Social Allowances Program.

Several people pointed out that our society is becoming more polarized between the rich and the poor, and this bill is one more step in this government going in that direction.

The government, in its defence of this bill, has said that these students should get a job. We were told from someone who works at a Canada Employment Centre that there are 36,000 Winnipeggers unemployed right now. Many people said that employers are looking for a Grade 12 education.

The minister suggested that some of these students could go home. Many presenters said that was absolutely impossible for many of these students because they left homes that were abusive or violent or dangerous.

What this government is basically saying is that they should go on city welfare, and we heard several people who suggested that it would cost more, and I suggest that it will cost more to have these people on city welfare both in the short term and in the long term.

So we will reiterate now and on third reading that we are opposed to this bill. This is the last opportunity this minister has, or this is an opportunity for the minister to amend it or to pull it, but the minister has indicated very clearly he is not going to do it, that he is very committed to this, I believe only because it is a budgetary decision.

I do not think it is defensible in any other way. Certainly not after listening to presenters this morning and this evening is it defensible in any other way, and we do not agree with the government's defence, but the government is clearly doing it to save \$3 million or \$4 million, although it would be appreciated if the minister would give us the exact amount of money or even an estimate of what his department feels they will save by eliminating this very worthwhile program.

Mr. Edwards: I want to just say, before we go clause by clause, I have not been in this House for a long time, five years. I do not think I have ever, ever come across a piece of legislation in my experience in those years that was less defensible than this, and that is unique for me, because usually you can see the argument on the other side, whether you agree with it or disagree with it. I do not see any basis for this bill that makes sense to me, and I have looked at it from, I think, your perspective, from your eyes, that it is necessary to save money.

This does not save money. I remember Premier Filmon—and it may surprise members opposite to know I have agreed over the years with a number of things he has said. One of the ones I agreed with most was the statement, the best social program is a job. That is a good thing to say. It makes sense to me. This does the opposite. I do not understand this coming from this government. This destroys access to education. Employability is linked to education. This is a mistake. It is a bad bill.

There are other ways to save money. You have heard people here tonight say they were willing to work with you to find those ways. This is not the way to do it, and I just do not think this serves why any of us came to this Legislature. We did not do it to take poor disadvantaged kids out of school. It is a sad day.

I wish the minister would rethink this because it is not a good bill. Partisanship aside, this is not good legislation. Let us take some time to think of another way to save these dollars. This is not a bill that is defensible on any basis that I can detect.

Ms. Friesen: Mr. Chair, I want to echo the comments of both the Leader of the Liberal Party (Mr. Edwards) and my colleague the member for Burrows (Mr. Martindale) and to express my extreme disappointment with the government on this particular issue.

Perhaps against my better judgment, I was hoping until the end tonight that, in fact, there would have been some changes, that at the very, very least, the government would have given the appearance of having thought about the many suggestions that were made to us over the last day, some of which will not cost any more if, indeed, this is a move which is driven by cost-saving desires.

It is simply an indefensible bill. I cannot say anymore, and I think the government is going to regret this for a very long time.

Mr. Chairperson: Thank you. Is the committee ready to proceed to clause by clause?

An Honourable Member: Proceed.

Mr. Chairperson: During the consideration of the bill, the Title and the Preamble are postponed until all clauses have been considered in their proper order by the committee.

Shall Clause 1 pass?

Some Honourable Members: No.

Mr. Chairperson: All those in favour of Clause 1 passing, say yea.

Some Honourable Members: Yea.

Mr. Chairperson: Those opposed, say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Yeas have it.

Mr. Edwards: A recorded vote, Mr. Chairperson.

A COUNTED VOTE was taken, the result being as follows:

Yeas 6, Nays 3.

Mr. Chairperson: Clause 1 is accordingly carried.

Shall Clause 2 pass?

Some Honourable Members: No.

Mr. Chairperson: Do you wish a recorded vote?

Some Honourable Members: On division.

Mr. Chairperson: On division, Clause 2—pass.

Shall Clause 3 pass?

Some Honourable Members: No, on division.

Mr. Chairperson: Clause 3 is accordingly passed on division.

Clause 4.

Mr. Gilleshammer: I have an amendment and I think there are copies here.

The Coming into force is amended.

This act is retroactive and is deemed to have come into force on July 1, 1993.

Mr. Chairperson: It has been moved by the Honourable Mr. Gilleshammer

THAT section 4 of the Bill be struck out and the following substituted:

Coming into force

4 This act is retroactive and is deemed to have come into force on July 1, 1993.

[French version]

Motion de M. le ministre Gilleshammer

Il est proposé que l'article 4 du projet de loi soit remplacé par ce qui suit:

Entrée en vigueur

4 La présente loi s'applique à compter du 1^{er} juillet 1993.

Shall the amendment pass?

Mr. Edwards: Just a question on the amendment, Mr. Chairperson. What is the purpose or effect of this? Why is this coming forward at this point?

Mr. Gilleshammer: This is coming forward at this time because in the bill it says the act comes into force on July 1, and at this point in time we have passed that date.

Mr. Chairperson: The amendment—pass.

Shall Clause 4 as amended pass?

Some Honourable Members: No.

Mr. Chairperson: Do you wish a recorded vote?

An Honourable Member: On division.

Mr. Chairperson: Clause 4 as amended is accordingly passed on division.

Preamble—pass; Title—pass. Bill as amended be reported.

That completes consideration of Bill 32.

The hour is 11:30 p.m. Committee rise.

COMMITTEE ROSE AT: 11:30 p.m.