

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, March 22, 1965.

MADAM SPEAKER: When the House adjourned I took under consideration the matter before the House and I have had under consideration the sub-judice matter raised in the House in debate by the Honourable the Leader of the Opposition with respect to the reference to a commission known as the Grand Rapids Water Haulage Inquiry Commission. I have not been able to reach a decision as some of the information necessary for that decision was not made available to me in time, so I submit to the House that the debate should remain open and I will give my ruling when the matter comes on the Order Paper.

MR. ROBLIN: Madam Speaker, I'll proceed to the next item of business which is the Committee of Supply, so I move, seconded by the Honourable Minister of Education, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution No. 28. Item 2 (a) (2)

MR. CAMPBELL: debate going when the House rose on Friday evening on 2(a) (2) and I see that the Minister of Municipal Affairs is not here, Mr. Chairman. I don't think he answered my question which I would really like to get an answer to. It seemed to me that he was arguing that in some way or other that making this rebate directly from the Treasury would encourage people to pay their taxes, and I asked him the question as to why he thought that taxpayers would be encouraged to pay their taxes because of a \$50.00 rebate from the Treasury Department. Why wouldn't they be just as apt to be encouraged to pay them because of a rebate directly from the municipality concerned? I really would like an answer to that question.

MR. DESJARDINS: Mr. Chairman, I wonder if the Honourable the Minister would also give us some information on 2 (a) (2), the tax rebate. There's an amount of \$10 million. Now is this the actual amount that the people of Manitoba will receive or is the cost of making this rebate included in this also? If not, where is the cost? Under what item is the cost of sending this rebate?

MR. JOHNSON: Madam Speaker, I don't know just what the Member for Lakeside, the question he is referring to, or as I understand it he is asking was it put in here -- something about making people pay taxes. I'll have to leave that one. I didn't quite understand what he interpreted the Minister of Municipal Affairs to say in that regard. The Member from St. Boniface raises a matter. I think I want to just simply say that during the several meetings with the trustee associations and people in the educational field -- we had several meetings with the trustee organizations since we last met last year -- and I think the Premier has made reference to and we have said earlier the tremendous job which Manitoba trustees have done over the years as evidenced by the fact that Manitobans enjoy a very low per capita of municipal and school tax compared to other jurisdictions across the country. I think this alone shows a test to the present method of operation of our educational system, and certainly the fact that the government has chosen to tackle the recommendations of the Michener report in the way it has, by means of the school tax rebate, is certainly no reflection or insinuate in any way that we haven't the faith in the trustees. I think the facts speak for themselves. I think the facts speak for the lack of any outside or controls from the top on the job they are doing at the local level.

However, I can only reiterate what our First Minister has repeatedly said and which is apparent, and that is that the Michener recommended a very important shift of the tax burden from the school taxpayer to the provincial government. Now I know that both parties opposite, and members have expressed in the past their concern for rising local taxation, and of course the Michener Commission on Local Government Organization and Finance rather was established to determine some of these factors and how the ratepayer may best be relieved. I think it most interesting that the Canadian School Trustees' Association recently presented a brief to the Federal Government, in which they pointed out that in their resolution, that whereas the real property across Canada was bearing about its maximum load of local school taxation, they were urging the Federal Government to recognize the problem facing all provinces in Canada with exploding educational programs and the Canadian School Trustees'

(MR. JOHNSON cont'd) . . . Association have asked for increased tax revenues to be made available to the province for this purpose. And all what I can say in this regard is that the recognition of this, the government decision to attack the problem in this way, is apparent by placing the estimated amounts of money required to meet this obligation in these estimates.

MR. DESJARDINS: Mr. Chairman, the Minister was very eloquent but I can't catch the answer to the question that I've asked. Now if he insists on saying that the government thinks an awful lot of the school trustees here in Manitoba, if he wants to bring this back again, I think that he should explain why the job is not left with them. Because it was stated by the Minister of Municipal Affairs last Friday, I think, that they could not hold the cost of education down. This is why the government had decided to deal directly with the taxpayer, because they couldn't or wouldn't hold the cost of education down. Well that would mean that they can't do the job, they're going to spend money when it's not needed, or it would mean that the government will not let them give a -- how shall I say -- a raise that is coming to the teachers. It's one of the two. Either they're doing a good job or they're not. And if they're doing a good job, we still can't see why they can't handle this themselves.

But the question that I asked wasn't this. I see that this item -- we're right on the item now -- there's \$10 million school tax rebate. Now the members of the opposition last Friday felt that this item should not be here under Education. Nobody could see what this had to do with Education. But we were voted down and I want to know if this represents the actual amount that is returned to the taxpayers, or if the cost of returning same, is included in this \$10 million. If it is included -- ten million -- if it is included, it's logical, I'm satisfied. If not, I would like to know under what item this cost is. And if it's not in the estimate of Education, I'd like to know why. I mean if this is something under Education, let's put it all. Let's not hide something somewhere else. This is the question that I would like to have answered please.

MR. JOHNSON: Mr. Chairman, all that I can say there, I believe the costs are dealt with by the Minister of Municipal Affairs. The Minister thought they would be very minimal and with the method by which this will be handled, it is my understanding that they estimated the amount of money to be received by ratepayers and the estimate is \$10 million.

MR. DESJARDINS: the cost of sending this. It's not under this department.

MR. JOHNSON: Not to my knowledge.

MR. PAULLEY: Mr. Chairman, the question of school grants. I note that they're up about three million one over last year. Now, we're going to be dealing with so far as school grants are concerned for the fiscal year ending March 31, 1966.

MR. CHAIRMAN: We're on Item 2(a) (2).

MR. PAULLEY: Pardon?

MR. CHAIRMAN: We're on Item 2(a) (2).

MR. PAULLEY: I thought we were on Item (a) dealing with school grants inclusive, Mr. Chairman. If you rule that we've passed No. 1 then I don't recall it having passed as such. I do recall a vote on the question of the school rebate, but I will attempt to abide by your ruling, Mr. Chairman. I can raise the question on another item so you'll have it then if you don't have it now; but if you say that we have passed No. 1 I bow to your decision, Mr. Chairman, in the atmosphere of harmony.

MR. CHAIRMAN: Thank you. The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, is there some breakdown available on this ten million? Have you broken it down into municipalities and so on? Are there any figures available?

MR. ROBLIN: There are some tentative estimates which I don't think we should publish at the moment, but next year of course we will have the actual figures available.

MR. MOLGAT: Mr. Chairman, in this regard, it seems to me that the Honourable Member for Lac du Bonnet in his motion in moving the Throne Speech did quote some figures for his area. Now, if they're available for the Member for Lac du Bonnet why are they not available to any other member who asks for them?

MR. ROBLIN: He's on his own when he quotes those figures, Mr. Chairman.

MR. MOLGAT: Well, that's very fine, Mr. Chairman, but where did he get them then?

MR. ROBLIN: . . . go over the municipal tax rolls and work them out.

MR. MOLGAT: I wonder if the Honourable Member for Lac du Bonnet would like to make a comment on that matter.

MR. ROBLIN: No, you can't question him on that.

MR. FROESE: Well, Mr. Chairman, if there are tentative figures available what would they be for the divisions of Rhineland and Garden Valley?

MR. CHAIRMAN: 2 (b) (1).

MR. DESJARDINS: 2(b). I think I should ask a question. Oh, excuse me.

MR. JOHNSON: 2(b).

MR. CHAIRMAN: Yes.

MR. JOHNSON: I would like to make a statement on student aid which I think would be of interest to the committee. As you know, in August '64 The Canada Student Loan Act, a federal statute, made provision for a plan by which loans might be made to post secondary students who wished to further their education. The total amount of the money allocated by the federal government for the academic year '64-'65 is forty million, of which Manitoba's share is one point nine million, sixty-eight thousand, or approximately two million. Under the Act each province is required to elect whether or not it wishes to participate in the plan. If it elects to participate it becomes the province's responsibility to administer this plan. Thus it becomes the responsibility of the province to determine the need of each applicant and the extent of that need. The provincial authority then issues a certificate to the applicant and he makes arrangements with the bank of his choice for the loan. During the period while he is a student and for six months thereafter the federal government pays the interest on the loan, but after that time he himself carries the interest charges and begins to repay his loan by regular instalments as previously agreed between himself and the bank.

The Government of Manitoba elected to participate in the Plan and has designated my department to be the authority to administer it. We therefore devised a set of ground rules which we considered to be reasonable and fair and proceeded to process forthwith the many applications received, since the university sessions had already commenced at that time.

In this connection I want to pay tribute to the University of Manitoba and the officials of that institution who were directly concerned for their untiring efforts in co-operation with us in getting the plan under way.

Durly the early phases of the operation of the plan it became evident to us, as it did to all of the participating provinces and to the Federal Government that it would be desirable to have as much uniformity as possible across Canada in administering the loan plan. To that end they have called two inter-provincial conferences in the intervening time, and inter-provincial committees have made recommendations with regard to what they believe is a workable plan which can be put into operation across Canada. In this connection there were several matters being discussed -- the question of needs test, the formula which should be applied -- that particular committee is being chaired by Mr. Dalton, our Assistant Deputy Minister of Administration. The Federal Government called the provinces together for this purpose. I just pass that information on.

Under The Loan Act -- The Student Loan Act -- the maximum loan which a student can make in any one academic year, is \$1,000 and the total amount of the loan which he can make during his whole post-secondary studies is \$5,000.00. It should be emphasized that the concept of the plan is that it should be used to break the back as it were of students' needs after taking into consideration other forms of financial assistance which may be available to him. Using this principle as a guide we have tried at all times to be fair to every student applicant but we are constantly pointing out that should he not borrow more than he actually needs -- that he shouldn't -- since it must be repaid with interest in the future.

As of March 9th last year, this year just past, this month, 2,227 students have been assisted under the plan. The total value of their loans is \$1,356,805.00. The amount of the loans range from \$50.00 to \$1,000.00. The average loan is just over \$600.00. While I've stated that we have been careful to tailor the amount which a student may borrow to his actual and reasonable needs, I should emphasize here that there is nothing to prevent a student, who later on during the year finds himself financially embarrassed unexpectedly, from making an application for an additional amount providing he has not been granted the full amount of \$1,000 previously. During the year 49 second loans were granted in this way. A breakdown of the loans reveals the following: loans to university students, 1,772 loans. This includes not only the University of Manitoba and affiliates but other designated universities in Canada and abroad. Part of our agreement with the federal authorities is that we recognize certified or approved colleges or university sites in other jurisdictions in North America. Elementary teacher training, 256 loans; nurse training, 35 loans; and students taking technological training at the Manitoba Institute, 164 loans. Our own student aid contribution to the forthcoming fiscal year, as you note in the estimates, will be \$350,000 and we intend to use this fund to assist students who cannot qualify under the Canada Student Loan Plan because of the length or type of courses

(MR. JOHNSON cont'd) . . . which they're taking, for summer school students and some to needy secondary school students. Our bursary regulations are being carefully expanded and amended to take account of the fact that the university fees have increased and the amount of bursary money which we have made available is increased from \$200, 000 to \$350, 000.00. There is also later in the estimates, additional bursary money available to university students in the estimates of the Vocational Branch.

I would like to say in addition to that statement, to point out under (b) that we used to have student aid and then we had miscellaneous grants last year which were \$15, 000.00. These are lumped together in this particular appropriation. The members of the committee will recall last year we passed student aid three fifty but we had 200 thousand bursaries and 150 thousand in student loans. Now we're expanding this to \$350, 000 in bursaries per se and relying on utilizing the Canada Student Loan Plan in this way. So that first item is 350 of direct bursaries, 15, 000 appeared under the word miscellaneous last year -- that 15, 000, for example we give \$1, 000 to Western Canada School of Narcotic Education, we give \$1, 000 to Manitoba Educational Association, The Canadian Educational Association, The Canadian University Services Overseas, and The Canada Council for Research and Education 3, 600, and a few other smaller items to educational institutions, the total being 15, 150. You will realize that in addition to this \$360, 000 or \$350, 000 that the university -- when we come to that estimate you see they give out some bursaries too but roughly this is the breakdown of this particular estimate.

MR. DESJARDINS: Mr. Chairman, before -- I have a question to ask the Honourable the Minister but before doing so I wish to assure him and the members of the committee that I do not intend to debate shared services or aid to private schools at this time. I want to say this at this time because I think it's a little too early, I wouldn't want my friend the First Minister to leave us so soon in the evening. The question that I have is --(interjection)-- I beg your pardon. Those are the kind of statements I like to see in Hansard. We can refer them back to-- that's fine. I'm very pleased. But the question that I want, would this--is there anything under this to provide, if the House decides to act to bring in any legislation on the shared services-- well following the report of this committee--now I want to know if there's anything in there or could that be found somewhere else or can that be brought in later on if there is any legislation? What I am trying to know is can legislation be brought in even if it isn't there or would this indicate that there definitely will not--the government doesn't want to bring in anything?

MR. JOHNSON: Mr. Chairman, the honourable member, -- this would be a matter of policy. There is no precedent in the history of our province for bursaries to be made available to students in attendance at private schools.

MR. DESJARDINS: . . . me Mr. Chairman, I'm talking about if the government decides to implement any legislation following the tabling of the report on shared services. Now would there be money, is there any item in this department or could this be brought back -- all I want to know is could this be brought in, could provision be made later on if legislation comes in? This is the only thing I want to know.

MR. JOHNSON: My honourable is a good deal ahead of me at the moment.

MR. SMERCHANSKI: Mr. Chairman, I the Honourable Minister has been talking about the student aid program and I was wondering what is the total student aid program on the university level for last year? In other words, the federal government made available 1, 968, 000 and the federal government paid out 1, 356, 000. What I'd like to know is what is the total student aid program on behalf of the province on the university level and why was the other 500, 000 not absorbed from the federal government?

MR. JOHNSON: Mr. Chairman, the loans only became available late, or the latter part of August, going into late August, early September. My information from the University is that the University has granted through monies which they use out of their consolidated revenue plus monies they receive from individuals toward bursary assistance of students, the university itself provided 1, 035 bursaries to university students last year; the Province of Manitoba, 567 loans to students in university, the 1300 loans that you see here -- and I could just roughly say to the honourable member that that's at the university level, the 350, then later on we see where the Federal Government on a sharing basis once gave the province \$6000 towards bursaries to university students which has never been changed or altered and for many years, which we just carry on because we get shared 50 percent, and so in all about, we estimate approximately 20 -- is it 2800 when you add these up -- something like 28 percent of the students at attendance at the University of Manitoba were assisted last year. There were 2, 791 loans, bursaries and scholarships first granted last year. I think that probably

(MR. JOHNSON cont'd) ... answers the honourable member.

Why the rest, the million -- the few dollars weren't used up under the student loan plan, it's entirely possible -- I can say this to the committee -- we may utilize it all this year. We have measured each case on its merits, we think our bursaries -- we have a committee, joint university departmental committee set up: the federal government have authorized us as certifying agents, we measure the students actual needs against his resources or this committee does to the best of their ability. Some need more, some need less. It just works out that this is what we used this year. The federal government has indicated that if there is a greater demand next year across the province -- I think they threw another 8 million into it the latter part of this current year. There will probably be a little more available to us next year from what I hear.

MR. SMERCHANSKI: Mr. Chairman, I am still not clear. Does the Honourable Minister say that there was a total of 350,000 from provincial sources for the student aid program on the university level? Is this what the province contributed? Am I right in this assumption?

MR. JOHNSON: The province gave 567 loans. You asked me how many loans and bursaries were given out last year. The Province of Manitoba gave out of this appropriation 567 loans, bursaries and scholarships last year to the end of '64. You see there were 1300 assisted through Canada Student Loans and the university has advised me that they gave over 1000 students bursaries through their own resources.

MR. SMERCHANSKI: Mr. Chairman, I don't seem to be making contact here and I don't know why. I would like to find out from the Honourable Minister -- the federal government has allotted \$1,968,000 for scholarships, of which 1,356,000 has been used or utilized and the balance apparently was not used. Now my question is, why wasn't the balance of the federal aid that was available, not used, one. Number two is, how come that the government, the provincial government, has given only \$350,000 and if it did give this \$350,000 and I'm only assuming because I don't know, if this is the right figure -- if it has given the \$350,000 why did we not utilize the surplus of \$600,000 that was available to us under the federal grant?

MR. JOHNSON: ... Mr. Chairman, one is a -- we try -- most of the funds we gave were bursaries. The Canada Student Loan Fund is a loan fund, l-o-a-n, compared to bursary. A l-o-a-n means when a fellow comes in you measure what he needs. If a fellow comes in and says to the Bursary Committee he wants \$1,000 they say, "What for? This is public money." We're there to make sure it's administered equitably, fairly and to give the lad just what he needs and not just to authorize what he thinks he needs sometimes. By and large, the majority of the people that came before the committee -- as I have pointed out the average loan was \$600 I believe I said in my report. Some took -- they borrowed all the way from \$50 to \$1,000 with an average loan of 600. From last August to this March I think our committee did a pretty marvelous job, in issuing 2,227 individual loans, with federal money, and because we didn't use it all, these are certificates which the people take to the bank and they get their money and the federal government assumes the liability for it, pays the interest until that chappie has graduated for six months, then he starts to pay it back. The committee just didn't get around to using all the money that was available this year for loans. I am still

MR. SMERCHANSKI: The Honourable Minister talks about the grants from the University that the committee has done an excellent job with the applicants that have come before them and I grant him this and I agree that this is the proper approach and I have no quarrel with that. My question is, the provincial government contributed \$350,000 of grants in terms of student aid program at the university level; now is this correct? And if this is correct, then why didn't the province utilize the \$600,000 surplus that was available under the federal assistance, under the student loan, l-o-a-n, and I understand the Honourable Minister very well but I'm not talking about the grants from the university, I'm not talking the processing of these applications before the committee, I'm just asking the Honourable Minister how come that the provincial government paid out \$350,000 when there was a surplus available from the federal government of \$600,000.00. To me this doesn't add up and I would like an answer to it please.

MR. SCHREYER: Mr. Chairman, the Honourable Member for Burrows is confused and I hear that the Honourable Member from Rhineland is perplexed and so am I because it's difficult to reconcile the different figures that are given in the estimates and then in the Department of Education annual reports and then on top of that we have the separate university figures to contend with and then in addition, still the federal government loan figures.

(MR. SCHREYER cont'd)

Now Mr. Chairman, I know that Alvin Hamilton has said that the federal Student Aid Loan fund is being abused by some students who he alleges are using this money, even though they don't need it, and buying stocks and bonds with it. But this is what Alvin Hamilton said, and cars, yes and so on. But I have some figures here taken from the Dominion Bureau of Statistics publication on educational finance, higher education finance, and it seems that there is still in the province, and I suppose throughout the rest of the country, a marked correlation between the incomes of parents and the percentage of students attending universities. For example, the median income of parents of students in Arts and Science is six thousand four; the median income of parents of students attending Law is seven thousand one; the median income of parents of students attending Pharmacy is five thousand five. And then compare all that with the median income of the Canadian taxpayer, which is three thousand six. So you can see that there is a correlation here to be made and that correlation being that there is in fact a link between low income groups and the relatively fewer number of children of such families that attend university.

Secondly, taking again from the Dominion Bureau of Statistics pamphlet called "University Expenditure and Income in Canada," Part 2, Canadian Undergraduate Students, DBS catalogue No. 81520, page 30: "Students with interrupted education, 30.4 percent of the students who had to interrupt their education at the university level came from families whose income was less than 3,000 and only 13 percent of these students coming from such low income families were able to continue their education without interruption." I think this is pretty damning, Mr. Chairman. And then we go to the other end of the scale, families with income of over 15,000. Only 2.3 percent of these students coming from families of more than \$15,000 per year income found it necessary to interrupt their education as compared with 30 percent at the \$3,000 level.

So then, Mr. Chairman, it seems pretty obvious that educational opportunity is still linked pretty closely to family income. And then I have more data here, statistics which are pretty difficult to elaborate on and articulate in a setting such as this so I don't want to belabour that point.

But I want to read to the Minister something which I am sure he has heard before, namely, I want to read two paragraphs from the submission that was made to him by the University of Manitoba Students Union and I read on Page 4 of the submission and I quote: "The bursary fund at the University of Manitoba is patently inadequate and would appear to reward academic standing rather than meet the demands of student need. It has been stated that any student with a 65 percent average or over is eligible for a bursary." This is the stated policy of this government. However, a reliable university source indicates that the number of students receiving bursary assistance with an average below 74 percent and I repeat, below 74 percent, is minimal. This is not exactly squaring with the announced policy of the government, and I would like the Minister to elaborate. "It would appear that this policy is entirely inconsistent with another University policy. It seems unreasonable to establish the required academic average at 50 percent for passing and yet in a bursary program which attempts to meet consideration of need, arbitrarily there is established a required average at 65 or de facto at 74 percent." And the next paragraph, "Last year at the University of Manitoba 1,950 students applied for bursary assistance. Of this number -- 1,950, 1,080, over 50 percent of the total applications were denied assistance. There is no way of ascertaining the number of students possessing an average of between 65 and 75, who were needy but did not apply because of futile prospects for success. Those students who met the university's academic requirements with an average ranging from 50 to 65 percent were only considered if their need was inordinate. If a survey were conducted among prospective university entrants, who are now attending high school, we wonder how many would be precluded from a university entrance education because of severe financial need and then it asks the government to examine this problem more closely.

Well, Mr. Chairman, out of this all I think that I can make two points, one being that there is still a very marked correlation between the proportion of students attending university and the family income -- the income of their parents. And secondly, the second point is that this government is still being relatively tight-fisted with its bursary program. The loan program now doesn't enter into it because it's being assumed by the federal government, but insofar as the bursary aspect of student aid is concerned, the government apparently has established a 74 percent de facto level, below which it will not grant bursaries. Well I would like the Minister to deal with that and refute it if he can do so.

(MR. SCHREYER cont'd)

I would also ask the Minister if it is true that the Government of Manitoba is the only government that is administering the Federal Student Loan Fund in a way that has to do with means. In a way that is not commensurate with the way it is being administered by the Government of Ontario or of Alberta, British Columbia or any of the other provinces. The reason I ask this is because it was raised in the House of Commons a few months ago, namely that the Government of Manitoba was administering the student loan fund in a way different from all the other provinces, and I would ask him to deal with that, Mr. Chairman, at this moment.

MR. FROESE: Mr. Chairman, I have a few questions to raise on this item. First of all I understand that the amounts allocated under this heading are grants only, they do not enter into the matter of loaning. Am I right in this respect? The item 365,000 that's strictly grants, this is no fund out of which loans are being made? And I suppose that holds true for the next item as well, the assistance to schools in undeveloped settlements. I would like to know from the Minister why don't we also have a heading under this item as we have on the next page where we have under Directorate of Vocational Education we show so much to be recovered from the Government of Canada. Why can't we show the amount that we expect to go out on loans and then also show the amount that we will recover from the Dominion Government under this item? I think that would clarify the situation somewhat. I also would like to know how much is outstanding at the present time in loans to students in Manitoba and how fast is this money revolving? How much is being repaid every year, and is it being kept up-to-date? What is the delinquency rate here? Also, some years ago we allotted some money toward the Little Colombo plan. We haven't heard anything about it in recent times. Is any monies in this item here going to the Colombo plan or has it been abandoned completely?

MR. SMERCHANSKI: Mr. Chairman, I would like to ask the Honourable Minister in this \$350,000 is this total amount for bursaries or are there any Canada student loans included in this \$350,000.00?

MR. JOHNSON: Mr. Chairman, I'll try and clear the air now that I have succeeded in cluing it up. The \$2 million that is made available from the Federal Government is not given to the Province of Manitoba. It is just the upper limit of the federal guarantee of loans to students, I would point out that, this is what, March, we started in September, we have succeeded in dispensing about one million three of this. I think there is only two other provinces that have exceeded us at this last count in proportionately the amount of loans we are giving. The idea is in these estimates to make \$150,000 more available this year by way of bursary assistance in addition to the \$200,000 we had set aside last year. If you recall last year we passed 350, -- \$200,000 bursaries, \$150,000 loans. Bursaries we awarded to the university students last year came to \$133,000 in the vote of \$200,000.00. The rest of the \$200,000 went to other bursaries. I'm talking of university entrance students and undergraduates in this category. And the remaining \$150,000 of last year's money was loan money, not bursary money. Now with the Canada Federal Student Loan Plan in operation, and I might say loans are still being made, we might well by the end of the fiscal, you know the full year, come within that. And every application that has been received I can point out has been processed. I think it was two provinces who exceeded the loan monies made available to them. I think they were Ontario and P. E. I. And it was during this initial six month period that the loans were in effect that the Federal Government has held these two conferences with the directors across the country, you know getting the provinces down, in order to get more uniformity as I pointed out in the way these loans are administered.

I can say to the Honourable Member from Brokenhead that the university students brief they presented when they mentioned the 74 percent average this is with respect to the bursaries awarded by the Board of Governors to university entrance students at the university. That average is not one of the conditions as I understand it of our bursary committee. Our bursary committee measures merit and need as closely as they can. I also have spoken to the chairman of the bursary committee when I was making up the estimates this year and we don't know of a real case where a chap has had the merit and who was in need and came in to the bursary committee, that was refused an opportunity to proceed to university. In some cases you will find students coming in where \$50 or \$100 is all they want to borrow; that's all they need to get there. In other instances because of more costly courses and so on greater loans are made. As I say they varied all the way from \$50.00 to \$1,000 before the committee. I can also point out that we hope in the coming year with these extra bursary monies we might be able to assist more students -- even more so than the past year. The bursary committee are as I say at the national level looking at this very closely. Insofar as the income of the parent is concerned that's quite

(MR. JOHNSON cont'd) a high figure, that is before any student -- I mean insofar as the parents of an undergraduate are concerned, it's over the \$10,000 figure that is considered -- you know is looked at in that sense.

One question asked by the member for Rhineland: loans to students. The loans in the past, the department advise me that practically, in fact I don't know of a -- there is probably some outstanding loans under the old loan scheme, but a large number of these loans given to students in teacher training college, a very excellent return -- you know a very excellent record there of students repaying such loans. Insofar as the Colombo plan matter is concerned I can deal with that, I believe it is under Instruction and I can give a statement to the House on that plan at that time. There is no monies in this vote with respect to the Colombo plan.

MR. SCHREYER: Mr. Chairman, just to clear up one point. The Minister the Honourable Minister is saying then that the 74 percent average has nothing to do with the provincial government administered bursary. This has to do with the university proper?

MR. JOHNSON: Yes.

MR. SCHRYER: But the 65 percent average does have to do with the provincial administered bursary program?

MR. JOHNSON: Mr. Chairman, I have checked on this from time to time and quite often a chap may have 60 of an average, 61 of an average, he has been coming up lately, he's recommended by the principal and so on. This chap if he's in need gets bursaries. And I might point out that whereas in the past some bursaries had forgiveness clauses, you know if you came into the government service or returned work in kind sort of thing -- we are getting away from that pretty well. I am not anticipating other estimates but I can point out that for example in the Health Department with provincial monies there is about \$92,000 a year dispensed in professional training bursaries, so there is money in some of the other estimates. This is purely within the Department of Education trying to through our single bursary committee deal with all bursary applications at the undergraduate and university entrance level and trying to deal with them on a fair and equitable basis and complementing our program with the loan.

MR. SCHREYER: Mr. Chairman, I guess I would concur with the Minister when he says that anyone with an average slightly below 65 who is showing an improvement stands a pretty good chance -- I know from direct involvement. To try to get some clarification on another point however I would ask the Minister if in this appropriation, of \$359,000 of last year, I understand -- last year's appropriation \$359,000 -- I understand that roughly \$200,000 was allocated for bursaries and \$150,000 for loans. Now according to your departmental report for last year it would seem that your bursaries were completely taken up, your bursary funds, completely taken up; but the loan funds, the \$150,000, I would take it that because of the involvement of the Federal Government later on in the year that what we voted for loan funds last year was not in fact all taken up. Is this correct?

MR. JOHNSON: Yes, and we transferred -- you see this came in half way through and we actually used I can tell you from -- the current year in your annual report is last year, the figures aren't -- we actually used up \$250,000 in bursary monies of that 350 last year. We exceeded -- we had planned on 200; we gave 250.

MR. SMERCHANSKI: Mr. Chairman is that \$350,000 available for bursaries only.

MR. JOHNSON: Yes.

MR. SMERCHANSKI: Well now would the Honourable Minister please help me reconcile page 5 of the budget which was presented by the First Minister, specifically on page 5 he mentions this figure of \$365,150 to be specific, and he says that it is estimated that 28 percent of the University of Manitoba enrolment are assisted by student aid programs including the Canada Student Loans. Now is this in error then, in reference to the estimates we have before us? I cannot reconcile those two figures because this is why I have been asking the Honourable Minister to tell me the extent of the student aid program on the university level. There seems to be a conflict of facts here. Which is correct?

MR. FROESE: Mr. Chairman, if the Minister is going to answer that, how can he reconcile having this \$200,000 under this item which says Grants. It's not loans, it's grants. And if it's loans then we should show that we can recover this. Last year apparently there was \$200,000 bursaries made under loans.

MR. JOHNSON: Last year we passed \$350,000.00 anticipating that we would issue around \$150,000 in loans. The Canada Student Loan Plan came in. We issued 200 out of the total of 350,000 last year, we issued \$250,000 out of this appropriation, actually issued because

(MR. JOHNSON cont'd) . . . the loan plan then came in you understand -- the Canada Student Loan Plan. So we didn't carry on the loans that we had voted last year. We used some of this money up in bursaries. I don't know what the Honourable Member from Rhineland means by the two million assist made available to the department. It's not entered in here. We can go up to a maximum of two hundred per year as I pointed out. I think the First Minister in his budget address, was he not talking for this year of \$365,000 plus a maximum of two million in loans.

MR. SMERCHANSKI: Your figures of \$1,969,000 as against the \$350,000 is not unlike last year and this year, and my question is how much of this \$350,000 is for bursaries and how much is it for the Canada Student Loan, because both things do not seem to add up to the same result. In one instance it seems to cover bursaries, in another instance it covers bursaries and student loans. Now which is the correct figure?

MR. JOHNSON: Well, all I can tell you are the facts. We have up to two million available to us from Ottawa in the year, and each year toward Canada Student Loans. In a full year it's entirely possible we might use all this money based on our experience to date. We have \$365,000 as you see here is going to all be bursary money. No loans involved in what's in this estimate today. We anticipate that with these bursary monies, \$150,000 in bursaries more than last year plus the Canada Student Loan Plan, that there will be this total available to our students. I should also tell the committee that all provinces have now agreed on the general principles under which the loan plan should be administered, particularly with the concept of student needs, and we've just finished making a survey of the province's comments on the report of the Interprovincial Committee on need, and find that all provinces have set a criteria which are almost in every respect similar to our own here. In fact our deputy chaired that meeting. There's a few meetings of the provincial representatives in Ottawa next Monday to finalize the matter and it may be possible to use a common application form for all or at least most of the provinces next year in the loan field.

MR. SCHREYER: Mr. Chairman, I think we finally have it straight now, that we don't look for the federal student loan funds under 2 (b) (1) because it's not here. This is strictly bursaries now as of this year. Now, I would like to ask the Minister if he could break it down for me on two counts. I would like him if at all possible to inform me as to what proportion of this amount is for post graduate -- it's broken down in the report for last year -- and for technical education. According to the departmental report there are about twelve categories of bursaries, page 61, and I'm specifically interested in the amount of post graduate bursaries for this year and technical education bursaries. Secondly, I would like to ask the Minister if any of this amount here, of \$365,000 is allocated for Faculty of Agriculture purposes, because I read in the Budget Speech of the Provincial Treasurer that since 1958 -- he likes to compare everything to 1958 apparently -- since 1958 we have spent some \$306,000 on Faculty of Agriculture Bursaries and I would like to know if the Faculty of Agriculture Bursary money is provided for under the item that is now before us. And thirdly, Mr. Chairman, I would ask the Minister if he has received a copy of the Blayden Commission report which is the Commission that's investigating Canada-wide fee structures and student aid programs. I'm not sure if the Commission has completed its work but I understand it has.

MR. JOHNSON: Mr. Chairman, Mr. Blayden just visited us last week and discussed matters in my office concerning the -- the Premier met with him and myself and the Deputy Minister and discussed some of our problems with him. I don't therefore believe that the report is anywhere near ready. We are going to attempt to correlate through the single bursary committee, except for certain departments that have shared programs, such as the Federal Health grants and so on, all bursaries through the single bursary committee and in that way treat undergraduates in all faculties on an equal basis using increased bursary monies plus the Student Canada Loan Plan. In the breakdown the emphasis is of course put on -- in measuring everything up the emphasis is given to university undergraduates and university entrants, and by far and large will take the larger portion of these bursaries. In the past approximately \$8,000 to \$10,000 has been set aside for post graduate bursaries, and certain sums of bursary monies are set aside for secondary students from remote settlements furthering their secondary education and requiring some assistance. The post graduate bursary allotment proportionately is not large in this appropriation. In technical education, people pursuing Tec Voc training now or MIT, not only qualify for a small proportion of bursaries under this appropriation, but when we come under Vocational Education there's another \$60,000 item which is used for assistance to students in attendance at MIT. And I guess that's about it.

MR. SMERCHANSKI: Mr. Chairman, one of the reasons I seem to be confused about

(MR. SMERCHANSKI cont'd) this \$350,000 for the Bursary is that if the Honourable Minister's statement is correct, then on Page 5 of our Budget Speech there is a confused situation in that it does give the suggestion that the Provincial Government is helping out with the Canada Student Loan and this is very much incorrect and misleading and I would suggest that that fact should be spelled out and stated that it is a Federal Government grant. Now this is partly the reason why there's a great deal of confusion, simply because there is a very confused and fuzzy sort of a description under the budget presentation in reference to the exact aid that is being given to our university at the university level. I think it would be most appropriate to, if it is the Federal Government that's giving these grants let us spell it out separately and give them their due, record it so that it would not create confusion certainly in my mind and I'm quite certain in the minds of others, because in this day and age it's nice to know when a student has to apply under the Canada Student Loan what his qualifications are required to be, and again what he can do to apply under a bursary and what his qualifications have to be; because if it is clearly understood that way the parents of those students who are going to the university they can know as to their standing in terms of marks as to just what category they should apply to; and if it isn't spelled out, if the Department of Education doesn't know or if the First Minister in the presentation of his Budget Speech doesn't know and confused the issue, I am quite sure that the average individual in Manitoba who has students to go to university is going to be that much more confused. Thank you, Mr. Chairman.

MR. PAULLEY: Mr. Chairman, I don't know whether I'm more confused now after listening to the Honourable Member for Burrows than I was before or not, however, I want to join with my colleague the Member for Brokenhead and suggest to the Minister that he should take another look at the method by which bursaries are awarded. If I understood my honourable friend the Minister correctly, he mentioned on the basis of need, and sometimes that's the sort of a phrase that I find difficulty in absorbing, but however he states that on a basis of need the bursaries are awarded. However, I think it is a fact beyond dispute that academic standards have crept into the awarding of bursaries far more than the original intent was. While my friend the Member for Brokenhead was referring to the presentation of the Students Union to the Minister respecting their increased fees, I think notwithstanding the correlation to the 74 per cent of academic standards to other aspects, it's still a situation in my opinion where those students who are permitted on the basis of their academic standards of a 50 percent pass are being prejudiced against on the basis of being awarded bursaries. I think if my honourable friend the Minister would look into the picture he would find that what happens insofar as the awarding of bursaries is concerned that a person desiring a bursary makes application on the basis of need and then there is "X" number of dollars in the Bursary Fund, and the committee who consider the awarding of the bursaries allocate this money on the basis of need in some respects but in others where they bring in the question of percentage of academic standards; and I suggest, I suggest that this is acting in a manner that is prejudicial to those who need aid more, who may for some circumstances or other be in a lower academic average situation.

But I'm also intrigued to hear the Minister and also the First Minister, Mr. Chairman, on his comparative basis in his budget, note that the provincial aid for students has increased -- I again refer to Page 5 of the Budget Address of the First Minister -- should be noted that provincial aid for students has increased from \$69,000 in 1958 to \$365,150 in 1965-66, the year under review. Now, my honourable friend the Minister of Education has told us that for the fiscal year under review student aid and miscellaneous grants will amount to \$365,150 against \$359,750 a year ago. Now it's true that the government is going to use most of this fund, the \$350,000, in respect of bursaries for students, and the reason that they're able to use all of this money is because of the fact of the Canada Student Loan Fund which has now been set up. But I'm concerned, Mr. Speaker, Mr. Chairman, also with the overall contribution from the Treasury of the Province of Manitoba to students in the province insofar as grants or loans are concerned at the provincial level and may I suggest to my honourable friend, the Minister of Education that he take a look at the estimates in respect of the year ending March 31st, 1962. The general grants at that time was for scholarships as they called them then, \$200,000, miscellaneous grants, \$237,850, education loan fund \$100,000; or in regard to student aid back in 1962 a sum total of \$337,850.00. All we've advanced in the years between 1962 at the provincial level in respect of student aid, I suggest, Mr. Chairman, is less than \$20,000.00. Actually what is happening because of the announced program at the federal level of student loans, the Province of Manitoba has been able, in effect, to reduce the amount of money that it is making as a contribution to student aid and I suggest to the Honourable Minister

(MR. PAULLEY cont'd) of Education maybe he should get his friend the First Minister to use the figure of 1962 rather than '58-'59, which I fully appreciate was a very bad year, but I would suggest that by comparison, a truer comparison of the increase in aid for student loans or student aid at the provincial level would be to take the figures of 1962 and compare them with '65-'66 and they'll find that there isn't very much advancement being made insofar as student aid is concerned to the students in the Province of Manitoba. And of course accompanying this also Mr. Chairman, is the fact of a considerable increase in the number of students attempting to attend our higher schools of learning between 1962, and 1965/66.

We hear, and I guess with justification our friends opposite continuously tell us that as a result of the policies of the government we've had quite an increase in the number of students taking advantage of higher education. So I say to my honourable friend that albeit that this may be so as far as contribution at the federal level is concerned in this instance, again the Province is not giving sufficient aid to the students that are attending our university. I also suggest to my honourable friend despite his rejection of the appeal made by the students respecting the fee increase, if he and the Provincial Treasurer had got together with the rest of the boys on the treasury benches they could not but have come to the conclusion that there should have been a greater aid in the field of university education in order to offset the necessity of increased tuition fees at the university level; and they should have done, in my opinion, adhere at least to the request of the students of the university and the student council of making provision with additional monies to the university so that there would be no fee increase at least until the Blayden Commission had an opportunity of studying the whole situation. This Mr. Chairman in respect of the provincial orbit.

May I suggest insofar as the federal loans are concerned, student loans, that here is a field where the Provincial Minister of Education might be able to take some action in respect of the students here who are using the Federal Loan Fund in order to obtain a higher education. My honourable friend if I heard him correctly stated 2, 227 students at the University of Manitoba, 2, 227 have been assisted by virtue of the Canada Loan, ranging from \$50 to \$1000 at a \$600 average; And also my honourable friend mentioned to us that under the terms of the Canadian Federal Loan Fund that six months after the completion of the education interest charges are made and the student makes arrangements to pay back the amount that he or she has loaned during their academic training. I appeal to the Honourable Minister to try and get the authorities at Ottawa to take a look at this to consider exactly what it means. Because does it not mean Mr. Chairman, that the maximum, which generally speaking would be \$5,000 that a student is able to borrow. Say for instance a student in each of his academic years borrows the maximum amount of the loan which would be normally \$5,000, \$4,000 or \$5,000; he gets this loan interest free, then after six months he starts paying interest and I presume makes arrangements or starts paying back the loan. But it is this period of time after he's got his qualifications that he is possibly even in a position where he's less able to pay interest on the whole amount than he was possibly even during the year under which he was taking his training. -- (Interjection) -- Yes, Mr. Chairman, I agree with my honourable friend the Minister of Education, and if the present trend in politics in Canada continues and in the Province of Manitoba then surely the New Democratic Party will be in Ottawa, and we will take care of this situation to the advantage of not only our students who are attending the University but for the Dominion as a whole as well. So I ask my honourable friend, Mr. Chairman, if he may make some comment and assure this House that he has considered this matter as to the effect of the loans on our students, that is the loans at the federal level. I appreciate the fact that they are a further step and may make greater responsibilities for our students to go ahead. But after they're finished they're certainly going to have a burden facing them after graduation and they start putting up their shingle in medicine or as a lawyer, I don't know whether lawyers have any difficulty this way or not, they can pretty well get a hold of the shekels that a few people have left; lawyers can usually wend their way, Mr. Chairman, as you well know, in order to get it out of us poor lay people; but nonetheless this is, I think, or will be a considerable problem for the student who is taking advantage of the Canada Loan.

So I say to the Minister I cannot accept his explanations insofar as the generosity of the Province of Manitoba, as such, and increased aid to students in our province because it does seem to me as I read the estimates of the year 61/62 and compare them with 65/66 in this field, notwithstanding the inflated educational figures or figures for education that we've had before us tonight that the government of Manitoba is still dragging its feet in respect of even going along the way in any appreciable degree to give to every student, every boy and girl

(MR. PAULLEY cont'd) in the Province of Manitoba, equal opportunity to obtain equal education.

MR. TANCHAK: Mr. Chairman, it's pretty hard to get into this debate and I promise not to be as long winded as some of the former speakers especially the member directly in front of me -- (Interjection) -- Probably not, I probably could say it in less time. I came back to this question of bursaries and raise the question of bursaries not being tenable to private schools and separate schools. And again I'll say I'm not trying to fly a kite for them. But I understand that this discrimination does not exist as far as university training is concerned. They can apply for bursaries and get it. I know that it's an insignificant sum as far as secondary school bursaries are concerned, around \$5,000.00. But it's not the amount, but it's the principle that concerns me at this time. And I'm not blaming the present Minister, probably the same policies were adhered to by the former Minister and probably by the former government. That does not concern me at the present time. What I am concerned about is today and tomorrow and I feel quite strongly about this, because we know that the bursaries are based on need, should be based on need first and then on certain individual scholastic achievements. And I cannot see why if the student qualifies so far, then we can say we deny him the freedom of choice to improve himself -- and it's the individual, and I call this discrimination against an individual -- as I said before it isn't an organized group or anything. And again I'm not chastizing the Minister for that, but he made just one reference to it, he says it's government policy. I would like the Minister to at least promise to take a good look at this, a second look at this, if he does not want to express his personal feeling or that of the government but at least I think there should be more comment made to that, not simply just brush it away as being government policy and it's not the right time and place to talk about it. If I understood him right.

MR. FROESE: Mr. Chairman, before leaving this item I would just bring to a conclusion on the item of \$359,000 passed last year. I now take it then that the government spent the money wrongly and not according to what it was allocated for. It was allocated for grants. They made \$150,000 worth of grants, the rest was being loaned to students and it was not properly used in that respect, so that we will see a surplus on this item when we see public accounts next year. So that we should have \$200,000 of surplus under that particular item.

I would like to know from the Minister since we are dealing with scholarships and bursaries. There were only eight scholarships granted under the correspondence course item. How many students have we taking correspondence and since there are no number of applicants listed, I take it that it's just a matter of granting them. Were there only eight that deserved a scholarship of the total number that took correspondence courses? Could we have some information on this item?

MR. SCHREYER: I don't intend to answer questions for the Minister but I think that if the member for Rhineland checks he will find that there is nothing wrong, that while the Cabinet or the government cannot transfer monies from resolution to another they can transfer within the resolution. I think that's correct. -- (Interjections) -- Mr. Chairman, I have one last question on here under this item and this is this, that I find that generally the format for showing grants and bursaries etcetera for students is wholly unsatisfactory. Now on page 61 of the Department's report we have there an indication of the number of applications and the number of awards and the total amount awarded in the way of bursaries but it does not include the number of bursaries awarded by the university proper, and I think that it wouldn't hurt at all to have an addendum included here showing how much the university gives out in bursaries. For example, in this submission by the university by UMSU, in paragraph 14 on page 4, they talk about 900 bursaries being awarded. Now I take it those are strictly university awarded bursaries. Well then so there are 900 bursaries awarded by the university and approximately 518 bursaries, university level bursaries awarded by the provincial government, by the provincial department. That would give us then a total of about 1500 university level bursaries. I think that we have to look at the whole picture here and we can't do that unless we have the information shown in convenient -- not just convenient but in a form that lends itself to easy analysis. Now I don't want to and I apologize to the Minister for bothering him with detail here but there are three set allocations here that I think I would like to hear from the Minister about, specifically, how much is being allocated for postgraduate bursaries for this next year. I ask this because the postgraduate enrolment at the university is simply surging and it's not good enough to allocate as much this year as there was allocated last year or the year before. Postgraduate enrolment is simply surging and we must, I think, allocate more. Secondly, I would like to know if any amount here under Student Aid is allocated for Faculty of Agriculture. Now if the Minister could give me those sub-allocations I would be most grateful.

MR. SHOEMAKER: Mr. Chairman, a year ago we were told of the establishing of a new directorate in the Labour Department to undertake job research and development as the relation between education and employment is a determining factor in economic growth. Now there is no doubt about it that if this new directorate is reporting frequently, daily, weekly or monthly, to my honourable friend, that they will have some very interesting figures as regards the future requirements to fill the foreseeable gaps in labour, and I suppose that this determines to some degree not only the number of scholarships that will be made available to the various groups but the number of dollars that will be spent in the various categories. We are forever noting in the public press what is referred to as the "brain drain" of not only our province but indeed of the entire Dominion, and it points up pretty strikingly the drain on the brains of Canada to other provinces and particularly to United States. I have before me a clipping that is now a year old, or nearly so, headed "Ottawa" and they are referring to Dominion statistics, and I am quoting from those statistics that were tabled in the House of Commons a year ago on the request of David Orlikow it says, and they show that 1,583 university teachers, engineers, scientists and physicians and surgeons left Canada in 1963, and that it is increasing yearly. The year before that it was around 1,200 and the year before that around 1,100. There is an annual increase here.

Now the point is, of course Mr. Chairman, that our bursaries and our loans should not be given too freely to those categories where it is evident that we now have too many students to fill the gap. A chap on Saturday that dropped into my office made a statement, and I asked him to write it down for me because I couldn't believe it, and I'm going to read it now. It's very brief and the Minister can answer it. Now here's what he says: "Of the 130 or so students that are graduating from the Faculty of Education this year in 1965, not one student is going more than 15 miles beyond Metro Winnipeg unless they are leaving the province." That is, some of them no doubt are taking up or have been offered posts in United States and probably other countries. Now this is an alarming statement. I don't know whether it's true or not; he repeated it a couple of times. I asked him to write it down. I wonder if it is correct, Mr. Chairman.

MR. JOHNSON:..... the last question of the brain drain, I think Manitoba has traditionally tried there --I think the philosophy surely in this province is to give the emphasis to undergraduate, students in our undergraduate faculties. We try to give these on the basis of a combination of merit and need with a sincere attempt to be darn sure that no worthy student-- student who is felt to have the merit-- is denied a university education, but I have heard this about students in the Faculty of Education. I think it's fair to say that a number of students in that faculty came here from other provinces with the intent of getting away from home and getting away to the stimulating university, and have their own personal reasons. One can't predict these things. A fellow may have a girl friend in Regina and decide when he finishes he is going back there for a year --this sort of thing. I don't think you will ever be able to stop the brain drain to that extent. I haven't heard the figures from this year's graduating class from the faculty but I can assure the Honourable Member from Neepawa that I did my best at their Grads' Farewell to encourage them to stay in the Province of Manitoba when they graduated, where never before have graduates from the Faculty of Education had the opportunities that exist in the province today.

I would also say that postgraduate bursaries frankly have been limited in the total bursary requirement, the emphasis being given to the undergrads. When this appropriation is passed, the \$350,000 for bursaries this year will go to the bursary committee who will recommend the breakdown as to where they think the emphasis should be. As you know, these bursary applications usually come in by the 1st of July, we get some idea of the general need at that time and can assess these. I think that postgraduate bursaries are assessed very carefully by the committee. I think the Honourable Member from Brokenhead appreciates that... run into certain difficulties here. Postgraduate bursaries, for example in medicine today, internes get pretty good pay now, while they are taking their training and so on. It's not too cut and dried. However, I certainly will pay some attention to that.

The Faculty of Agriculture bursaries, I indicated --I don't know just what the honourable member is driving at. I think there are a certain limited number of bursaries given in the diploma course, and the attempt is we are going to try and bring together this year within the Department of Education to make maximum use of both our bursary program and this Canada Student Loan Plan. The idea will be to treat all undergraduate students in the same fashion with the same committee, in other words not emphasize any particular faculty. "Let's look at

(MR. JOHNSON, cont'd)..... the student; let's look and see where he is going and what assistance he needs. "

With respect to the Honourable Member from Emerson, all I can say is, it has never been the policy of the government, at least at this juncture, to award bursaries to students attending fee-charging institutions.

MR. PAULLEY: Can I take it then, from what the Minister has said in respect to the over-all picture respecting student aid and the amount of money appropriated --my honourable friend hasn't directly answered my colleague from Brokenhead insofar as the bursaries in the Department of Agriculture, but if you would just take a quick flip over to page 8 of the estimates for the ensuing year, Mr. Chairman, you will see that in the year ending March 31, 1965, insofar as postgraduate bursaries --graduate and postgraduate training provincial bursaries-- in the field of agriculture, back in 1965 there was a sum of \$50,000 included in that estimate whereas this year there is not. Now my honourable friend the Minister I think just said that this is now going to be reflected in the Student Aid Miscellaneous grants of this year which of course are as we know, the sum total of \$365,150.00. Then in effect, if, what the Minister has said, they're going to decrease the over-all amount of monies available for student aid by approximately \$6,000 in respect of the year under consideration at the present time with the previous year --and I said a few moments ago that by comparison with 1962 estimates we'd only gone ahead actually around about \$30,000-- but if what the Minister has just indicated to us, we're about \$20,000 less in student aid for this coming year '65-66 than we were back in 1962. So it would appear in this particular field that the government sure is going ahead backwards.

MR. SHOEMAKER: Mr. Chairman, I would like to direct a question to my honourable friend the Minister of Education, who is so co-operative and diplomatic. On Page 113 and 114 of the Department of Education there are listed some two or three or four dozen registered trade schools. There is no comment made other than they're enumerated therein, but is this an indication that they all have the blessing and recommendation of my honourable friends, and if so, are there loans made available for students that enter them? The reason that I ask that question is that I have before me Manitoba Regulation 86, 1963. This is a page from the Manitoba Gazette, I guess, September 28th, 1963. It's possible there's been changes, new regulations since that time, but it is the one that deals with loans for the technological training, and it's a very brief one. It says that loans shall be now set up for this purpose. And the Minister can approve, it says, and I quote: "A government loan for technological training may be made to a student enrolled in a course designated by the Minister as a technological course and taken in any vocational school designated by him." Now I wonder, are there new regulations out or can he authorize bursaries or loans or such for students entering any one of the registered trade schools enumerated on Pages 113 and 114? And are there other trade schools in the province --operating in the province-- that do not have his blessing, because quite frequently I have a student come into my office and/or his parents, and say, listen, I had a call last week from some Chicago school or Minneapolis school or some other school wanting a \$200 or \$300 deposit, and my answer is always this. "Why don't you enquire about the Manitoba MIT. MIT --that's the place to go. That's the place to go. We've spent fourteen or fifteen million dollars on it." But now I wonder, in light of all the schools that are enumerated here, is my honourable friend recommending them?

MR. JOHNSON: Mr. Chairman, I welcome this point. The loans for example, the Canada Student Loan Plan and bursaries are, well let's take the Canada Students Loan Plan. No loans are approved to students in attendance at private trade schools. Generally speaking, in discussing this with the Federal Government, I think it's pretty well uniform across the country -- I don't believe any provinces are doing this-- and we, in giving grants, must declare the institute of learning which a student is attending before he can get this bursary. It has to be a post secondary school. It has to be at the post secondary level, and for that reason the type of institution he's referring to is excluded and no loans have been approved to students in attendance at these facilities nor bursaries, to my knowledge.

MR. CHAIRMAN: 2 (b) (1) passed.

MR. MOLGAT: Mr. Chairman, I just want to check one item; I tried to get up on the odd occasion. In the statement that the Minister made on Page 617 of Hansard, when he was enumerating the twelve imaginative points in his program, Point No. 7 states: "The expansion of a program of student aid which will provide for our students a total amount in loans and bursaries from the governments of not less than \$2,350,000.00. Where does this figure of \$2,350,000 come from?"

MR. JOHNSON: Well Madam Speaker, for the first time in the history of the province there is \$2 million available in total in any one year to the province from the Federal Government where we are designated the authority to issue these loans under rules and regulations which we're working out with them as we go along. That's \$2 million in the four borders of Manitoba in loans that's never been there before; and there's \$350,000 in these estimates and I don't know what jiggery-pokery can change the fact that it's \$150,000 more than it was last year, and this is all bursary money. And using the two million three in loans and bursaries we hope to administer a pretty good program for the committee in the sense that we, in cooperation with University personnel and personnel from our department --we have our own bursary committee, not with the University; they have their bursary committee. We have our bursary committee and we have a Joint Loan Committee, and this loan committee measures all applications for loans, and there is really liaison between our bursary committee and the loan committee. But this is \$2,000,000 in loans never available before, and these estimates are up for bursaries totalling, actually it comes to \$350,000 plus \$15,000 later on we'll see in another appropriation in bursary money.

MR. MOLGAT: Mr. Chairman, the imaginative program that my friend claims as being his program for \$2,350,000, really is \$2,000,000 federal money and \$350,000 provincial.

MR. SCHREYER: I've asked a series of questions of the Minister and he is still being his diplomatic self; I haven't got very much information. I think it's time to make a categorical statement. Mr. Chairman, I think it's time to make a categorical assertion that this government is not making any progress in terms of bursary assistance to university students but is in fact going backward in this regard. Now the first point I would make is that the new federal student loan fund should not be conceived as superseding bursary programs --(Interjection)-- Oh, but it is, Mr. Chairman, because since the Federal Student Loan program has been implemented the Government of Manitoba has cut back on its bursary program. It has cut back specifically in the sense that it is now including in the bursary program under the Department of Education, monies that formerly were paid out under the Department of Agriculture, for example; and so when we read \$365,000 in student aid, etcetera, that is including \$50,000 that was hitherto provided for in another department. It's being brought in here and it swells the total, but in fact there has been a cut back, and I suggest that it would be bad enough if there were a cut back when the student enrolment were static, but in fact student enrolment is increasing greatly, and so surely there must be a proportionate increase in the amount of bursaries available. Loans are for the needy students who do not do relatively well academically. Bursaries are for students who have need and who do reasonably well academically. Scholarships are for those who place in the top percentiles. Now that's the division, and I can't see how this government can conceive of federal student loan money as being an opportunity to cut back on bursaries. This is regression, and the Minister can't escape it.

MR. CHAIRMAN:.....passed.

MR. SHOEMAKER:..... perhaps I didn't hear my honourable friend correctly, or perhaps I didn't hear him at all. Did he say that by virtue of the fact that 48 trade schools were enumerated in the annual report that they all had the blessing of the Department of Education. I notice now that there are 48 in total enumerated, and about 15 of them are out of the province; Toronto; Chicago; Minneapolis; Windsor, Ontario; Toronto; Montreal; Toronto; Toronto; Chicago; Chicago; Sherbrooke, Quebec; Toronto; Chicago; Los Angeles; Toronto; Toronto; Toronto; Vancouver; and Toronto. Now it seems rather odd that they would be listed here. My question is, is a student that is making an enquiry of me or anyone else, should we say to them if they are enumerated in the Department of Education annual report, that it is a legitimate one to go to and one that is recommended by the government?

MR. SMERCHANSKI: Mr. Chairman, I would like to make a further appeal for bursaries for candidates from private schools. I think that in view of the fact that the Department of Education does recognize the academic standards of the private schools, surely, surely, I think that we should examine it very closely in order to qualify the same students who need assistance, students who are deserving, and these students in private schools, if their mental ability is such that they do require help, I quite frankly do not see any reason whatsoever of denying these students the right of a bursary. The private schools, whether we care to admit it or not, are doing an excellent job among the high school student body of the province. Their standards are high, and as far as academic standards are concerned are equally as good as those in the public schools when we compare these students when they're undertaking university studies. Just because they obtain some religious instruction is certainly not detrimental to the academic

(MR. SMERCHANSKI, cont'd). standards or the moral standards of a student attending private schools. Therefore, why not recognize a worthy student irrespective of what field of school he comes from in the province? If he is deserving and he needs this assistance, surely the percentage is not that high, and we would be helping students to further their academic studies; and after all, when they get into the university level, they are going to be worthwhile citizens, and who knows but what might contribute in a substantial way to the furtherance and development of this province, and I would recommend to the Minister and to the government most strongly that this is not a very large amount, and it is really unfair when you have deserving students in private schools who are denied the right of a bursary.

MR. SCHREYER: Mr. Chairman. . . . On page 61 of the departmental report, and I see the very first subdivision of bursaries being: Bursaries for Secondary Schools, total number of applications 229; number of awards 106; amount awarded \$4,900.00. Now the Member for Emerson and the Honourable Member for Burrows have indicated to the Minister that they would like to see bursaries extended to students who are attending the private or parochial secondary schools. I understand that it is not, strictly speaking, it is not against any statute for bursaries to be extended to students who attend these private or parochial schools, and since the Minister answered the Member for Emerson by saying that there was no discrimination practised in the extending of bursaries, I would ask the Minister specifically how many of these 106 secondary school bursaries were extended to students attending private or parochial secondary schools. How many?

MR. FROESE: Mr. Chairman, I would support both the contentions that were raised by the Member for Brokenhead and the Member for Burrows. I think they should extend bursaries to students from private schools. This would ease the load of those schools because they tend to have accounts receivable outstanding and certainly if loans could be made here this would reduce their receivables or their outstanding accounts; and why not extend this to students from private schools? Certainly they're just as deserving, if not more in some cases, and why do we only have 106 approved out of 229? In some of the other categories the approvals are much higher percentage-wise than the one referring to the secondary school bursaries.

MR. CHAIRMAN: 2(b) (1) passed. 2(b) (2).

MR. JOHNSON: Assistance to Schools in Underdeveloped Settlements, the Committee might be --I prepared a statement which I thought might be of interest to the committee. The Supervisor of Special Schools is responsible for two distinct groups of schools and I thought this information would be valuable to the committee in view of some of the legislation that is before the House, for two distinct. of schools, the first one being those schools located in Hutterite colonies, the second being those schools located in fringe settlements in northern areas where the local inhabitants are unable to support and maintain schools in a normal manner; and over the past ten years the number of classrooms in each of these two groups of schools has almost doubled. In addition, attendance is improving and a greater proportion of the students are remaining in school in higher grades. The retention of students into the secondary grade is as yet more marked in the special schools than in those which serve specifically the Hutterite colonies. We now have some 92 teachers in 35 areas under special schools, and an additional 50 teachers in 40 Hutterite colonies for a total of 142 teachers in 75 schools. During the past year, secondary school classes were offered in eight of the areas served by special schools. In addition, a number of students were transported to division high schools and local elementary schools, while others from more isolated areas were provided with bursaries to enable them to attend high schools of their choice. It is most encouraging to note that at least one student from the special schools is now attending university classes in second year under a bursary, while others are taking trade and professional training at the Institute of Technology, Teachers' College and at various hospitals.

One of the main problems associated with these special schools has been that of attracting and retaining suitable teachers to many of these areas owing to their isolated locations and to difficult living conditions. In an effort to improve these conditions and to attract even better qualified teachers, both last year and this, considerable work has been carried out which was designed to improve both the school and the teacherages, and to that end over 100 contracts have been let to provide for such facilities as forced air, oil or propane heating, plumbing, electrification, utility rooms containing modern household appliances. As I point out, provision has been made in these current estimates, not only for expanded facilities in terms of classrooms and teacherages, but also for a continuation of the improvement in upgrading of the accommodations. A community development program at Duck Bay which was used as a pilot

(MR. JOHNSON cont'd).....program --this goes back to 1957, and it continues to show excellent results. Similar projects of smaller scope have already been started in a number of other areas as a result of the success of this project and the interest shown in it by residents of other areas.

I would like to say a few words at this time --because this is where part of the money will come from-- on our plans for remote school districts and underdeveloped settlements and that part of Manitoba north of Township 22. For some time now, we've recognized that due to distance and sparsity of population in this part of the province, many of the pupils living in this area have not had the fullest possible opportunity to get a secondary education. While many have been able to go to high schools in more populated centres, and while we've assisted a number with bursaries to take secondary education, we're still not satisfied that enough of them are able to have the advantage of a secondary education, to which I am sure everyone will agree they ought to be entitled. To that end we propose to introduce the legislation which was introduced today, to provide for the establishment of a school division to include such territory north of the northern boundary of Township 22 as is considered likely to benefit from increased and expanded educational opportunities. This will include about 15 isolated school districts which are now operating independently with relatively small enrollments, and about 30 underdeveloped settlements in which the province has helped providing school facilities. You will share my concern for the lack of secondary facilities for these students when I tell you, as I repeated earlier, that in this general area there is a student population of 3,000 pupils, and that in the fall term of '63 less than 100 in total were in secondary school grades, and four as I said were taking Grade 12. This is a part --of course there are some students, as I mentioned earlier, who have been brought out, such as the United Church effort in Teulon where arrangements were made, but many of those are our responsibilities in the north and in this sense show those figures.

Each of these settlements by themselves is too small to operate an efficient high school, and indeed most of them are too small to operate a high school at all. Therefore, our plan under the proposed legislation is to operate a secondary facility which will be available to all students in the designated area. To that end the government last fall purchased the former radar base, as we know, at Cranberry Portage and we intend to make the necessary alterations of the building of the base in order to turn it into a residential school. To this end we passed monies at the special session last summer and have been getting on with the job. A very excellent facility.

Under the proposed legislation, every child included in the division as it's brought down will be entitled to attend the secondary school without fee, and we propose that students will be asked to --with respect to accommodation there'll be a modest residential fee for residential accommodation, but no student who is unable to pay will be denied entrance into that residence.

The proposed bill to create the division of course, provides for the appointment of an official trustee by the Minister, who will be the official trustee for the division and for the regular constituted districts included in the division, and his duties will be to administer the education affairs, not only of the division, but of the school districts and the isolated settlements within it. He will have all the powers, duties and responsibilities of a Board of Trustees in this respect, and the idea is to have one budget for the entire division, and grants will be earned by each district and by the division itself on the regular basis. A fair and reasonable share of the cost will be assessed on the local people by way of taxes and contributions, as I outlined in the bill this afternoon, and because the majority of the underdeveloped settlements would then be operated by the division, a large part of the monies allocated under this item in the amount of \$675,000 for the operations of schools in those underdeveloped settlements included in the division, will be available for their operation under the new plan.

There is provision under the proposed bill for the division to take over the assets and liabilities of each school district and settlement included therein. There's also provision for the appointment of local committees both for the districts, settlements and for the division itself, to advise the trustees from time to time on educational matters of particular concern to them. It is hoped that if the Northern School Division Bill is enacted it will be possible to commence the operation of this facility at Cranberry Portage secondary school for the fall term of '65. You will recall again that the money was appropriated at the summer session for the purchase and renovation of the building. I might say at this point that I've made inspection of the facilities and find it is admirably suited for a residential secondary school, and actually

(MR. JOHNSON cont'd). with a minimum of renovation and remodelling, adequate space can be provided for classrooms, instruction and vocational courses, physical education, music, and for other phases of a broad general educational program which we hope will be provided for the students. There's a large auditorium-gymnasium, adequate facilities for an infirmary, dining-room, residential accommodation for 200 students, and accommodation for maintenance, supervisory and teaching personnel. I may add the work has already commenced on the necessary renovation and remodelling of the various buildings, and we anticipate the initial enrollment this fall of around 125 to 150 students by our best estimate, and we expect that enrollment will increase yearly and could go up very rapidly. I would say within a couple of years, one or two years, it could be up to four or five hundred students. We believe that our action in this regard will be supported by all members as a constructive forward-looking measure to provide an opportunity to many young people to become self-supporting citizens of the province and an opportunity which many of them would otherwise be denied and in view of the fact that just this afternoon we dealt with the bill respecting the principle of the division, and in view of the fact that members will be voting monies on this particular appropriation, I wanted to explain that, as you see, the support of some of the monies that are in here that will not be used at the local level because of this change, we will be able to get some of it from this appropriation.

MR. HRYHORCZUK: Mr. Chairman, I note that this appropriation is up approximately \$57,000.00. If the Honourable Minister expects 125 to 150 students there this year and he is going to provide residence in addition to tuition, how does he hope to pay the staff of teachers and others for that amount of money ?

MR. JOHNSON: The member has a good point but as I understand it, as we set up the division, there will be certain grant monies spread throughout our general grant appropriation that we pass which will assist us toward solving it because they will qualify for grants as any other division would. Right? They will send in a budget, they'll set a general uniform levy say, now this is a matter of once the bill goes through of sitting down with the various districts, determining their present budget and the purpose is to put a uniform general levy on, that is modest and within their reach, that is in the organized districts that exist now. Now in these special settlements, these neighbourhoods as I call them where we have the special schools and no districts, we will have to take whatever voluntary contributions they can give us if they are now giving; so through general grants there will be certain monies and then there will be certain savings here and we have added some extra monies to care for that area. These are largely the, insofar as the capital requirements of the base are concerned, the renovations on this has been looked after. As I said earlier we expect that certain students will --there will be a very modest-- there will be a subsidized board and room and we would hope to --we would make it certain that students who qualify for this and are not able to pay their full rent will -- we won't deny admission on that basis. So through the general school grants there will be some monies available through the general grants and the rest of it made up from here.

MR. ARTHUR E. WRIGHT (Seven Oaks): Mr. Chairman, the acquisition of these buildings at Cranberry Portage is a pretty wonderful thing for Manitoba but I am just wondering, some of these buildings having 40 foot ceilings, just whether they lend themselves to the purpose for which you are going to use them or do you anticipate any capital budget, any large sum for the modification of these buildings.

MR. JOHNSON: Forty foot ceilings?

MR. WRIGHT: Some. have.

MR. JOHNSON: There's a hangar there. Yes, I have inspected the buildings. Most of them, --there's just the hangar that has that high ceiling. Other than that the buildings are --I don't know how to describe them, -- they're low like the PMQ type of buildings the size you see at an Air Force base; the dining-room and mess hall as we will have is moderate; there's just the one large building, the old hangar where you can convert it into all sorts of things. It's excellent for shops around the periphery-- there's excellent space in the middle. I frankly think that while initially we won't be making the maximum use of that hangar with the predicted enrollment that one can foresee there, I can see that being looked at very carefully in the next year or so.

MR. SCHREYER: Might I ask what item we are on?

MR. CHAIRMAN: We are on 2 (b) (2).

MR. SCHREYER: Well Mr. Chairman, did we agree to hold 2 (b) (1)? Because there were some questions that weren't answered in 2(b) (1).

MR. CHAIRMAN:.....2(b) (1).

MR. SCHREYER: No, we haven't. There were some questions that weren't answered, Mr. Chairman and if the Minister doesn't want to answer them now we can hold it over I suppose. The question was specifically how many bursary applications have been received from students attending private or parochial schools and how many of these bursaries have been rejected.

MR. JOHNSON: Mr. Chairman, I know --I'll answer it again. I know of no bursaries awarded to students in attendance at private schools in this --that is, private secondary schools.

MR. SCHREYER: Mr. Chairman. I just want to make a very short comment on this, rather than debate it now. It is my understanding that if a student from a private or parochial high school were to apply for a bursary his application would be rejected, not because of anything that appears in statute but because of the way in which the committee or the department chooses to interpret the regulation, and I refer to regulation 35 of 1958. Now it would be, in my opinion, bad enough if there were a statute which excluded such applications but to my mind that there should be a regulation which excludes such applications is simply incomprehensible. That's taking quite a bit onto one's self to try to make this prohibition by way of a delegated or supplementary statute, or regulation.

I don't think that regulations should deal with substantive matters as important as that and so I would ask the Minister to look into this whether he is satisfied that this prohibition is being carried out because of what a mere regulation has to say about it. In fact I am not sure that the regulation itself is very clear because what are the specific qualifications laid down by the regulation No. 35 of 1958? First of all it says that applicants must be Canadian citizens, British subjects with sufficient educational standing to qualify, the necessary financial circumstances, bona fide residents of Manitoba of good character, physically able to carry on, they must accept all conditions of award, and so on, and then specific qualifications are: (a) the student shall enroll for grade 9, 10, 11, or 12 in a secondary school of the province. Now what's a secondary school, Mr. Chairman? It seems to me that a secondary school is any secondary school that satisfies the Department of Education standards for curricula, attendance, etcetera. And it goes on to specific qualifications (b) the student shall register for the work in a full academic year, and finally, the student shall have attained complete standing in the work of the previous academic year. But nowhere in the regulation is there any specific injunction or prohibition against a bursary being awarded to a high school student of a parochial or private school. I don't expect the Minister to answer right now but it seems to me that we are doing something here by regulation that is having great impact and is denying in fact some high school students of possible bursary assistance. I would like the Minister to check into it.

MR. CAMPBELL: Mr. Chairman, with regard to 2(b), I understood the Minister to make some reference to Hutterite schools in that regard. I was just wanting to know what is the present situation with regard to the Hutterite schools and what is the likelihood of some development there in connection with the program that is going ahead in the way of larger units and consolidation and things of this kind? Is that going to afford an opportunity to the Department to encourage more of the students from the Hutterite colonies to integrate with the rest of the community? Because I thought the Minister's remarks were pretty brief on this subject, and from my reading of the report there is a pretty brief reference to the situation there, but perhaps the outstanding thing that there was contained in the annual report seemed to indicate that in a 10-year period that the number of the schools in Hutterite colonies had actually doubled, or practically so. And I referred on a couple of other occasions here to the fact that years ago we used to have committees of the House sitting on the whole question of Hutterite development in Manitoba and one of the recommendations when the last committee reported as I recall it, was to once again say that as far as Manitoba was concerned it thought that the answer should lie in education rather than in legislation, and a pretty strong recommendation was made for an attempt to try and encourage integration of these students with the public schools in the areas.

Now that would seem, I would think, to be the logical development and surely the larger units of administration in both the high school and the elementary grades gives an added incentive for that sort of thing. And yet we see the trend going the other way with more students and more schools under local management, or not local management in the sense of school boards but under an official trustee but with the numbers growing at a pretty steady rate.

(MR. CAMPBELL cont'd). What is the long-term program of the department in that regard?

MR. JOHNSON: Mr. Chairman, I can report to the honourable member that there are 40 Hutterite colonies; 50 teachers are employed by these schools now and as you know their official trustee administers 35 schools with 44 teachers. The neighbourhood school board in 4 schools with 5 teachers is administering a school and there is one private school with one teacher. The enrolment is 1,108 in these schools and I must say that most of these are in the lighter grades, in the more junior grades. Now up until last year all buildings were owned by the colonies and rented to the district. You understand each one is a district, you are aware of that, and we are now building schools owned by the district at West Valley, Dearborn, Springwell, Peace Valley, Blackmore, Willardon, Hoffer, Grosse; and Sunnyside School District are negotiating with the department the sale of their school to the district and a number of the schools in addition to those owned by the districts are fully modern, and raising the school leaving age to 16 has and will create problems. As you know they are a little fearful of their children going outside to the divisional school and mixing with the non-Hutterite children and frankly they are afraid at the present time that this move is going to lead to a weakening or breakdown in their way of life. In the various areas I mentioned as you know in the past they didn't have schools, they used other buildings in the colony. But this is all I can report at the present time. We must remain hopeful I guess, but there is this local improvement coming about and I think that it's probably a matter of time and the raising of the school leaving age is going to be in effect this year.

MR. SCHREYER: Mr. Chairman, follow up the question asked by the Honourable Member for Lakeside. As a result of the bill before us now, the bill that provides for the reorganization of the local school districts under the division boards, is it the intention to exempt the Hutterite school districts from the provisions of that legislation or is it the intention that the legislation apply to all local school districts, in which case then obviously the Hutterite School district would be losing many of their powers to the division board. I would ask that question. And secondly, on page 73 of the report it gives you the breakdown of the Hutterite students in the various grades in the province. These would be Hutterite students attending the Hutterite district schools and we have showing as the Minister said altogether 1,108; but when you look at grade 9 and 10, you find that there are 20 registered in grade 9 and 2 registered in grade 10 and none in 11 and none in 12. But I would be surprised if there weren't at least some Hutterite students that were in fact attending grade 11 and grade 12 but in the non-Hutterite schools. Is that correct?

MR. JOHNSON: That is very possible, yes. I haven't got those figures with me.

MR. SCHREYER: What about the exemptions for the Hutterite School Districts. Are there any exemptions or will they be treated as any other local school district that's going to lose some powers to the division boards --(Interjection)-- Under the proposed legislation before us?

MR. JOHNSON: These districts are different in that they're under the official trustee as I understand it, within the division. I would have to double check on this point. You've got me at the moment but I would be glad to get the answer for you.

MR. SCHREYER: help the Minister, I would perhaps clarify my question a bit. As the Minister obviously knows, he being the sponsor of the bill, local school district boards are going to lose some autonomy, they're going to lose some powers which are going to be transferred over and vested in the division boards. Now even though the Hutterite school districts are under official trustees or under special arrangement, nevertheless, there will be some sort of local autonomy transferred over I presume unless they are given exemption. Now I would like to know, if the Minister would check on that.

MR. LEONARD A. BARKMAN (Carillon): Mr. Chairman, the Honourable Member from Brokenhead just about said Mennonite when he mentioned Hutterites although, --no I'm not accusing-- I would like to just bring a point on that. There are a certain percentage of Mennonites that possibly would come into this group or very close to this group. In fact there was a group in the other day to see me about this matter and I wasn't sure just what was entailed in the problem but these groups are also -- and I will state right at the outset that this represents a very small percentage of the Mennonites and of course a still much smaller percentage of Manitobans. But these groups are of the opinion that their children should not or need not necessarily exceed a certain age or for that matter a certain grade and they're thinking mostly up to grade 8 or possibly the age of 14, and of course the reason for this is obviously

(MR. BARKMAN cont'd). religion. And while these groups have a very good record in regards to character and reputation, they're a very successful and also a freedom loving group, living within the rules and the laws of this province, they also wanted to know if there wasn't something in the statute that possibly could be changed for their wishes. And while they told me that these were confidential reasons, I would gather from what they said that they were religious reasons and I'm just wondering --I was glad the Minister answered part of it already, but if he wishes to elaborate on this point I would appreciate it. But I want to make it clear that this is a very small percentage of the Mennonites.

MR. FROESE: I would like to know from the Minister where he draws the distinction because as I understand it, these schools that the Hutterites operate they're private schools in my opinion, yet these schools obtain grants. Is it just because they have an official trustee? Surely now we should know why they're entitled to grants whereas other private schools in Manitoba do not.

MR. CHAIRMAN: 2(b) 2 passed.

MR. FROESE: Mr. Chairman, I think we should have an answer to that.

MR. JOHNSON: I'll have to leave that question stand. I understand these are public schools operated by the official trustee within each of the Hutterite districts. I'll have to double check on the question asked by the last two members. I wouldn't like to say something inaccurate.

MR. CHAIRMAN: 2 (b) 2 passed. 2(c) 1.

MR. JOHNSON: Mr. Chairman, with respect to the University estimates I would like to say something with respect to the University of Manitoba. There are three items as you notice, the general grants, the grant for non-recurring expenditures and finally the annual grant to Brandon College for operating expenses. And any capital money as you know is in a separate bill. The rate at which the university has expanded as we know is quite astonishing but it has been more than reflected in the rate at which government grants for its support have increased.

I have before me a record of the full time enrollments in the university and the general and non-recurring grants which have been paid in the respective years and I thought the committee might be interested in hearing the comparison that I drew in looking over the record of the university's expansion. It should be noted at the outset that in addition to the full time enrollment there is a part time enrollment and the part time enrollment has remained fairly static over the last fifteen years, I notice having been 456 in 1951/52 and 531 last year. Part time enrollment are students working for a first degree, in '63 was 134; students working for credit in graduate studies, 189; certificates and diplomas, around 12 in '63; students in non-credit courses, this is amazing, has gone up from 1,572 in 1954 to 3,749 in '59 to 5,087 in '63 in part time non-credit courses. The extension course in education of 118 is in this figure of 456 in '51/52 to 531 this year, but the startling figure is in the 5,000 in non-credit courses. The number of full time students in the same period of time has increased, that is '51/52 from 2,900 to 7,000 at the present time. The grants for the earlier year were 901,000, 1951/52, while the grants laid before you in sub-appropriation 1 and 2 total \$7,899,844.00.

Perhaps the measure of support which we propose to provide for the university this year as compared with that given fifteen years ago can be more dramatically illustrated by noting that during the intervening years, the full time enrollment of the university has increased by 2.4 times. At the same time the grants towards the operating expenses of the university have increased 8.8 times. Even in the brief period since '58, and I don't know why we always pick that figure, the enrollment of the university, the university has almost doubled in that period of time, that's the point, while government grants devoted to its support have increased about four times. The cost of educating students at the university level have like other educational costs increased enormously. This has been particularly true for disciplines of relatively low enrollment or those in which the costs of equipment in laboratories is quite high. For this reason it is probably not entirely fair to average per student costs but I think the members will be interested to know that the average per student grant at the university has increased over the years from \$310 in '51/52 to \$621 in '58/59 and \$1,130 in the coming year. Let me emphasize once again that these average figures are presented solely to indicate the degree of increase in costs for the university as a whole. There are some faculties, for example Arts and Science, in which the grant per pupil required from government sources to underwrite the actual cost after taking into account tuition fees, after fees will be from \$500 to \$600, while in other faculties the government's contribution may average over \$3,000 per student.

(MR. JOHNSON, cont'd),.....

Mr. Chairman, we turn our attention to the subject of tuition fees at the university which we dealt with earlier. Local papers took note some weeks ago of a visit paid by the students urging us to intervene and prevent a proposed increase in fees at the university. I have already outlined to you the extent to which the province's support has increased in the last few years and I think we will agree the rate of increase has been phenomenal. I suppose there are many ways in which justification for a fee can be established. One way is to compare it with past experience and in this regard I note that the fees this year in Arts and Science are, this past year, were \$300 compared to \$190 in '51/52 and \$250 in '58/59. Fees then, since '51-52, had increased by '58 until they were 1.32 times what they had been in the earlier year 1951-52. In 1964-65 the fee had become 1.58 times what it was in 1951-52. During the period 1958-1964, as I've already mentioned, the grants had increased by four times and the increase from 1951-64 in grants was 8.8 times. Thus while one of the contributions toward the cost of operating the University, the fees had increased about 1.58, another contribution, government grants, had increased 8.8 times.

Since students today frequently attend universities frequently not in their own provinces, and since universities across Canada compete with one another for staff, this competition frequently being on a basis of salary paid, it is not unreasonable to compare the tuition fees which are being paid during the current year by a number of representative universities across the country and for a number of courses commonly offered; and I would like to note the figures compared with others --Manitoba's fees are uniformly low. The institutions selected for comparison have been selected because each is a representative university in its own province and not because it offered a favourable comparison with Manitoba. In Manitoba, for example, in 1964-65 Agriculture fee was \$300.00; Arts \$300.00; Architecture \$410.00; Commerce \$300.00; Engineering \$400.00; and Medicine \$500.00, at Manitoba. In British Columbia, Agriculture was \$372.00; Arts \$372.00; Architecture \$432.00; Commerce \$422.00; Engineering \$432.00; Medicine \$587.00. Alberta, Agriculture fee \$350.00; Arts \$300.00; Commerce \$350.00; Engineering \$400.00; Medicine \$500.00. Saskatchewan, Agriculture, slightly lower, \$285.00; Arts \$285.00; Commerce \$310.00; Engineering \$405.00; Medicine \$535.00.

It's interesting --McGill for example, Agriculture \$359.00; Arts \$478.00; Architecture \$581.00; Commerce \$478.00; Engineering \$581.00 Medicine \$654.00; Laval is about \$500.00 for Agriculture; \$350.00 for Arts; Commerce \$500.00; Engineering \$500.00; Medicine \$600.00; New Brunswick, the only figure there is \$479.00 in the Arts course, and \$539.00 in Engineering. Mount Allison, Arts \$560.00; Commerce \$560.00; Engineering \$560.00. Dalhousie, Nova Scotia, Arts \$467.00; Architecture \$467.00; Commerce \$467.00; Engineering \$467.00; Medicine \$564.00. Carlton, Ontario, \$480.00 in Arts; \$480.00 in Commerce; \$540.00 in Engineering. Toronto University, Arts is \$470.00; Architecture \$650.00; Commerce \$490.00; Engineering \$650.00; Medicine \$700.00.

I just thought these figures were interesting in comparing the fee structure at our University here with these other representative provinces. Students taking instruction, as you know, may take it at the University itself or any one of the five affiliated colleges. I've already drawn to your attention the fact that some courses, largely low enrollment or post-graduate, are very high in cost, and the cost per student in these courses is reduced as enrollments increase and conversely, the cost to the province as a whole increases if these high-cost courses are established in more than one centre and thereby still further decrease the enrollment in any one place. And this is part of the problem which is facing the affiliated colleges.

We are very concerned about our ability to provide further assistance to those colleges which are in difficulty if the difficulties have been developed through the establishment of expensive courses. We do know, however, that the operation of a high level institution of learning is an extremely complicated and complex activity. We recognize it is natural for institutions other than the University to aspire to offer more challenging courses in a prestige field. We feel that many of the problems of this expanding post secondary field must be studied carefully by a group who are knowledgeable in these affairs, and to that end we established several months ago an ad hoc committee including representatives of the University, the affiliated colleges and the government, to prepare a proposal which would be mutually acceptable to all for the establishment of a Council of Higher Learning. This ad hoc committee has recently submitted its report and its recommendations, and these have been accepted by the government. You may be pleased to know that the first steps have already been taken toward the appointment of members of the council and its terms of reference have been laid out. I expect it should be

(MR. JOHNSON cont'd).....working in the near future --I was hoping within the month-- but I must emphasize that this task will not be completed by a once-over-lightly operation which would produce a blueprint for the future in six months, and we expect of course that the council will continue its work for a number of years and that it will provide us with thoughtful and informed recommendations on new problems as they develop. In the meantime, I'm assured that the vote of the money set out in this estimate will provide the University with the basis for a sound and practical year in 1965-66.

I did want to make this statement to the committee because I want to take this opportunity --the last few days I've had the staff prepare copies of the Council on Higher Learning, the agreement that we've come to which both parties have shown an interest in, and I'll ask my department if they're within earshot to see if they can dig them out. I hope to have sufficient copies to pass around to the committee. It may not meet all the suggestions that have been made by certain members concerning its set-up, but I would point out to the honourable members that as a result of our discussions with the colleges concerned we have reached this agreement to proceed to look at the problems in this expanding field, and for some of the reasons I have mentioned hereto.

MR. TANCHAK: Mr. Chairman, I noticed that there's an increase here in government grants as far as universities are concerned. Isn't it a fact that increases will not show as spectacular as it does appear on paper here? Isn't it a fact that some of this increase is due to the transfer of the teacher training from one field into the University?

..... Continued on next page.

MR. PAULLEY: Mr. Chairman, the Member for Emerson touched on one question I would like to ask of the Minister, if he would reconcile the increase of 1.1 million in relationship to the reduction of about \$276,000 in respect of the former appropriation for Manitoba Teachers College. If we take a look at the estimates we discover that, Mr. Chairman, about a \$276,000 reduction in the Teachers College, and while we haven't come to that item I think it has to be correlated to the amount of appropriation for the general grants for the University of Manitoba. I'd like to ask the Minister too, in this connection, whether in the grants for the University of Manitoba or the appropriation for the University is included any capital costs or construction costs in respect of the transfer of the Manitoba Teachers College to the campus. That is one point, Mr. Chairman.

There's another point generally insofar as the grants to the University is concerned and its affiliated colleges I would like the Minister to clarify for me if he will, or if he can, and I'm sure he's very capable and would be able to do it. It is my understanding that the general grant to the University of Manitoba is more or less based on a per student basis, something along that line. I note that Brandon College, which college is doing a very admirable job insofar as education is concerned in Manitoba and particularly Western Canada, is listed separately. Now I would like the Minister to give us some indication as to the situation in respect of the other affiliated colleges. I have in mind at the present time St. John's College, St. Paul's College and St. Andrew's College. Now, I can appreciate that if I am correct--(Interjection)-- yes, and United College too. I'm sorry for that omission because they are a relatively large college are they not, Mr. Chairman. And I can appreciate that at one stage in the game the colleges that I have just mentioned and in particular -- well, I guess all four of them -- St. John's, St. Paul's, new St. Andrew's and United -- didn't come into the grant basis because of the fact that it was generally construed that they were theological colleges. But I think, Mr. Chairman, this situation has now changed, and that these affiliated colleges are now pretty well teaching or offering to the students pretty much the same curriculum and training as being done at the University of Manitoba proper.

Now, I'd like the Minister to give an outline insofar as this apparent fact is concerned, the difference in the grant structure to the University of Manitoba, the Brandon College, and the apparent differentiation in the grants toward the affiliated college. If it is on the basis of the old thoughts of them being, some of the affiliated, if not all of the affiliated colleges, being institutes of training or learning for theological purposes, that's one thing; but I say, Mr. Chairman, this has gone by the board now, and I would like an explanation from the Minister insofar as this aspect is concerned. I would also like to hear from my friend whether or not representations have been made to the government by any or all of the affiliated colleges to be able to be considered on a par insofar as grants are concerned for the general subjects that are being taught at the affiliated colleges, with the exception -- and I suggest that this would be a proper exception of those portions or those students within these other colleges and the costs which would be used strictly for the training of the respective clergy in the various denominations where there is the connection, Mr. Chairman, such as the Anglicans with theological students at St. John's, and the priesthood possibly in St. Paul's and the United Church and others possibly in United. I would like the Minister, if he would comment on this particular point.

MR. SCHREYER: Mr. Chairman, along that line, it is my understanding that the affiliated colleges obtain approximately \$79.00 per student grant; secondly it is my understanding that the monies that are paid do not show up in the estimates but are provided for somehow else. I would ask if this is correct and if so, how is that money provided, if not through the estimates procedure?

MR. FROESE: Further to what has already been said here, we have a number of these colleges that do qualify. I would like to know from the Minister whether contacts have been made by the Mennonite Bible College to be recognized and what are the requirements for them to come under the grants that are being provided by the university? What requirements have they got to meet?

MR. JOHNSON: Mr. Chairman, first of all the school land grants fund is on the statute -- the statute which pays over interest of the monies of the school grant lands fund to the affiliated colleges and that is where they get this -- this was done a couple of years ago -- the affiliated colleges get 25 percent capital grants on approved capital works, construction and this per student grant from the school grant plans fund which is a statute and doesn't appear in these estimates. The transfer from the university is included in the figures before

(MR. JOHNSON cont'd).us. Frankly the estimate is that -- it's around, the complete capital costs of the Teachers College is being paid for by the Province of Manitoba in capital sense. Insofar as the operating is concerned there is no increase in the students' fees at Teachers College planned for the coming year. It will be the same fee or -- I believe it is \$125 this coming year. It's the same as last. The difference is in the estimates of approximately 147-49-\$150,000. The Brandon -- I have here the Council on Higher Learning. Oh first of all may I say that St. Andrew's Theological College, as I understand it, is an associate college of the University. It is not an affiliate and the Mennonite Bible College is not affiliated or an associate, I don't believe. It could be an associate but I don't believe it's that either. So we are dealing largely in this Council of Higher Learning, when you see it, St. John's College, St. Paul's and United and Brandon and the University are involved in this Council of Higher Learning, that is the affiliates plus Brandon College and University.

Brandon College of course is a non-denominational public institution and its requirements are met much in the same way as the University, whereas the University has a Board of Governors, the Board of Governors at Brandon College come in and present their budget to the administration. When you look at this draft plan of organization which I will ask the page to distribute in a moment I would point out to the honourable members that as we had the affiliates to look at this whole problem before us we asked them -- they were very anxious that their BA council more or less on Arts and Science, which was their primary interest, and it took quite a bit of negotiation to effect the concept that you will see here of the two councils within the Council of Higher Learning, one dealing with the Arts and Science problems which are primarily the concern of the affiliates and the other courses. Would you distribute this material.

I forget the other questions while I'm on my feet--(Interjection)--Yes, the -- no part of the University grants here are for construction of the Teacher Training facilities. The grants at the University are not based on per student cost as you know. The decrease of course in the Teachers College appropriation later on, as you know, is because it will only operate under this budget for April, May, and June of the coming fiscal year and there will be 149,000 in the University estimates for the Teachers College. The decrease in the Manitoba Teachers College appropriation is around \$270 and the increase for the University in teacher training is only 149,000 and the reason is, we provided as you know at the Teachers College for our teachers previously subsidized board and room but I must emphasize when the teachers go out to the University this year they will be in the same category as any other student out there with respect to accommodation requirements. I can't think of what the other questions were at the moment.

MR. PAULLEY: Mr. Chairman, maybe I can remind my honourable friend what they were. When he was opening discussion on this particular item the Minister indicated to us that the per student cost had gone up from \$310 per student in '51 to \$621, '58-59, and \$1,130 in respect of the year under review. This dealt with the student body or the cost of the students at the University of Manitoba proper and Brandon College. Now and my question to the Honourable Minister, the first one was, has representation been made to him by the affiliated colleges, and I guess I was a little mixed up insofar as St. Andrew's was concerned, but just let us say St. John's, St. Paul's and United College -- affiliated colleges -- have representations been made to the Minister for the affiliated colleges to be considered on the same basis or similar basis as the University of Manitoba is in respect of receiving provincial funds?

I mentioned that I appreciate the fact that there are certain classes or a number of classes in St. John's, St. Paul's and presumably the United that deal with the question of theological training for which one might understand that the government does not make a contribution or should not make a contribution, depending on what the policy is. On the other hand, however, I raised the point that in the other aspects of the affiliated colleges they are undertaking the provision of instruction to the same degree as happens on the campus at Fort Garry in respect of the University proper. I note and mentioned that Brandon College receives its grants but I also understand and I'm subject to correction in this regard and possibly the correction will come from the Member for Brandon, but I also understand that at the University of Brandon there are still a number of theological students. I believe--(Interjection)--is it not right? Oh, it used to be at one time the Baptist College--(Interjection)--Pardon, it's not a denominational, I see. So then the difference then is there, Mr. Chairman, but I would like to know, in view of the fact that the affiliated colleges that we have here have expanded their facilities to the degree that they are concentrating on the normal subjects that

(MR. PAULLEY cont'd)..... are taught at the University, again first of all has representation or consideration been given or made to the Minister and what is the position in respect of these affiliated colleges obtaining grants for those students which are taking the purely academic subjects that are being taught at the University proper?

MR. FROESE: Mr. Chairman, I have one further question. Apparently there are very few application forms sent out to collegiate institutes and to the secondary schools. Pupils who want to go to Teachers College find that they are not able to get applications. Why are they sending out fewer applications this year than in other years? And are they not made readily available?

MR. JOHNSON: Fifteen hundred went out this year, or more, I don't know, I'll check into that.

MR. FROESE: Well, they certainly didn't get the number they normally did get in these schools that were referred to me.

MR. JOHNSON: I don't -- there is no reason for that.

Well, Mr. Chairman, with respect to the affiliates, we have had, as I said, three or four meetings in registering their problems with the Department and with the government and as a result of these discussions we have agreed to the setting up of a council who can look at the broad problems facing the affiliates with respect to the state supported universities -- the University in Brandon. There's the need to separate out in the budgets of these institutions the Theological from the Arts and Science and I am hopeful that, while there is no provision, I am hopeful that we can study this problem with them through this duly constituted body. I think we have to look at the broad picture of where we're going in post-secondary education and the role of the affiliates I hope through the formation of this council will become more clear; not that it isn't clear, they're performing a very real function in the post-secondary field in our province and to date, however, what support they get, they get through the school land grants appropriation.

MR. SCHREYER: Mr. Chairman, the very last point, the school lands grant fund, I understand that that's been established by way of federal statute. The Minister refers to the statute. That's provincial funds? In toto.

MR. PAULLEY: Mr. Chairman, as to what it amounts to on a per student basis for the affiliated colleges. If the Minister hasn't got that handy he may give it to us tomorrow.

MR. JOHNSON: It varies, I think the average is \$79.00.

MR. CHAIRMAN: ...passed. 2 --

MR. SMERCHANSKI: I'd like to find out in reference to the University grant, how much of that money is there in terms of the interest on the loans outstanding against the University, and then how much is provided for the repayment or the principal repayment on the loan.

MR. ROBLIN: Will the Committee rise, Mr. Chairman?

MR. CHAIRMAN: Call in the Speaker. Madam Speaker, I wish to report progress, and ask leave for the Committee to sit again.

IN SESSION

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for Swan River that the report of the Committee be received.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Minister of Education that the House do now adjourn.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Tuesday afternoon.