

...and the amount they will lose to the provincial government's new payroll tax — 1.95 per cent on their employees' salaries starting in January. The tax is de-

pay the tax. Ontario universities will have to pay \$24.5 million above the \$13 million they were paying in OHIP costs.

And hospitals will have to cough up an additional \$34 million. It can't help but spell bad news for programs and services in universities, public

dent for planning at the University of Toronto, which expects the tax to cost \$4.6 million on top of the \$1.8 million it was paying for OHIP fees.

It's unclear what those cutbacks might be. A spokesman for the provincial government said it's premature to talk of cutbacks because of the new tax.

Saturday Special

Kudos flow for Ontario welfare reforms

By Elaine Carey Toronto Star
The initial euphoria has worn off slightly but social reformers are still amazed by the Ontario government's sweeping overhaul of the \$2.3 billion welfare system this week.
"It's not as much as I wanted but it's more than I expected," said Richard Yampolsky, executive director of FoodShare, summing up the feelings of many who fought to get the reforms implemented.
Yampolsky helped organize a coalition of social agencies and churches who recruited high-profile business leaders — including Conrad Black and Trevor Eyton — to persuade the government to begin the process of reforming the antiquated welfare system.
"It's very clear this provincial government listens to big business," said Yampolsky, "and business said, 'Hey look, this makes sense.'"

Thomson report

The overhaul was recommended last September by the provincial social assistance review committee, headed by former Family Court Judge George Thomson.
After two years of study, the committee came up with 274 recommendations in five stages for reforming a system that supports half a million single parents, disabled people, unemployed adults and their children.
In the first stage, Thomson estimated the reforms would cost up to \$415 million — the amount the government announced it would spend on welfare reform. But critics say that's misleading because \$120 million of it is for a 6 per cent increase in welfare rates next January — money the government would have had to spend anyway because the rates go up every year. That leaves only \$295 million in new money, half of which comes from the federal government.
But even the critics temper their criticism with broad praise for the over-all plan.
And the authors of the report are ecstatic.
"They have moved in all the broad areas we identified in stage one," said Thomson. "They made some of their own decisions but

Beijing troops foiled in martial law chaos

By Stephen Handelman Toronto Star

BEIJING — Chinese authorities, seeking to end a mushrooming anti-government rebellion, imposed martial law today on parts of Beijing where students have defied orders to end their pro-democracy protests.

The dramatic development sparked reports of hand-to-hand fighting in Beijing's streets between "people power" protesters and troops.

Other reports said troops ordered to move against the protesters were halted by human barricades formed by thousands of residents who had poured into the streets.

Men in blue workclothes, doctors in white coats and students with red rags tied around their heads parked factory trucks and buses across key intersections. They lifted lane dividers across the road.

Trucks carrying troops were immobilized by workers who let the air out of the tires.

- Protest in Metro/A14
- Changing communism/D1

The grim martial law announcement was made over loudspeakers in Beijing's vast Tiananmen Square — the focus of the students' revolt.

It was emphasized by five military helicopters that hovered overhead but protesters shook their fists in defiance.

Thousands of students defiantly continued to occupy the square. They called on the public to join the hunger strike by 3,000 students that is at the centre of the revolt.

Ominous signs that the crisis was nearing a climax appeared last night with an ultimatum from the government.

It warned the students camped out in the square that they constituted a "riot" and faced immediate action to clear them from the area by soldiers of the People's Liberation Army.

"The situation in Beijing is in chaos," said Prime Minister Li Peng in a broadcast message.

"For a month the government has been calm and tolerant . . .



PLEA TO TROOPS: A Beijing resident asks soldiers sent to quell protests not to hurt their "brothers and sisters."

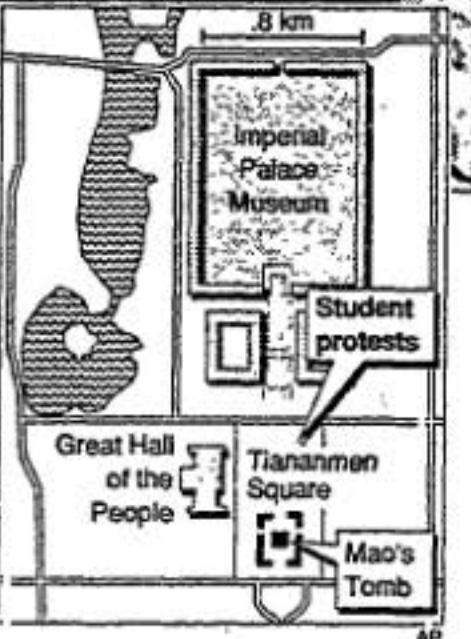
Few governments in the world would have done this, but we did because we love our students and we don't want to do them harm.

"But the government will not be weak."

Li, dressed in a formal Mao jacket instead of his usual business suit, added:

Among the measures:

- Marches, strikes and class boycotts are forbidden.
- A news blackout was reported — and the U.S. television networks CBS and Cable News Network said Chinese officials threatened to cut off their transmissions.



CHOKING ON SUCCESS

Seventh of a 10-part series

Housing crunch kills the dreams

By David Israelson Toronto Star

Take a walk down any modest residential street in Metro — and dream on, because you may never be able to afford to live there.

There are signs that Metro's housing crisis is becoming a permanent tragedy, a chronic case of too high prices and not enough cheap places to rent or buy.

It's a situation that will change the way we live, and one which may not improve even as the housing market cools down.

Ultimately, it threatens Metro's economic future.

The problem has forced politicians to scramble, and it's one which the business community has been slow to recognize.

But for Metro residents, the cruel reality has already hit hard. For perhaps the first time in Canadian history, many of the new generation will not be as well housed as the last.

Majority dissatisfied

And according to a special poll prepared for The Star by Goldfarb Consultants, this reality is one of the things that most bothers Metro residents.

The poll found that:

- A huge majority, 85.9 per cent, is dissatisfied at the lack of "affordable" housing in Metro, with nearly 60 per cent of them very dissatisfied.
- Nearly as many people, 68 per cent, say the lack of decent places to rent concerns them, and 4 out of 10 people are extremely dissatisfied about it.
- More than half, 51 per cent, don't expect to ever own a home within commuting distance of Metro.
- Nearly 59 per cent rank housing problems among Metro's