



STANDING COMMITTEE ON HUMAN SERVICES

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STANDING COMMITTEE ON HUMAN SERVICES

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Ms. Christine Tell
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[The committee met at 19:00.]

**General Revenue Fund
Education
Vote 5**

Subvote (ED01)

The Chair: — Good evening, committee members, minister and officials, ladies and gentlemen at home. Seeing as it is now 7 o'clock, the chosen hour for our committee to begin its meeting, we'll call this committee meeting to order. I would like to welcome you all for the deliberations on the Standing Committee on Human Services.

Tonight we are considering the estimates for Education, vote 5, central management and services (ED01) outlined on page 46 of the Estimates booklet. Tonight committee members we have in attendance are Mr. Cam Broten; substituting for Ms. Judy Junor is Ms. Pat Atkinson. And on the government side is Mr. Glen Hart, Mr. Gord Wyant, Ms. Doreen Eagles, and substituting for Ms. Christine Tell is Ms. Joceline Schriemer.

We can get right into it. Madam Minister if you'd like to introduce your officials. And I just ask officials, when you do come to the mike for the first time to state your name for the purposes of Hansard. And I'll again welcome the minister and ask her to proceed with her opening comments.

Hon. Ms. Harpauer: — Thank you, Mr. Chair. Good evening, and I am pleased to be here tonight with my ministry officials to speak to the Ministry of Education's 2011-12 budget.

With me to help answer questions that the committee members may have is, to my immediate right, Audrey Roadhouse, the deputy minister; to my left, Darren McKee and Cheryl Senecal, both assistant deputy ministers. Behind me is Dawn Court, director of finance, corporate services; Lois Zelmer, executive director of early learning; Mike Back, director of infrastructure and education funding; Angela Chobanik, senior policy advisor, infrastructure and education funding; Elaine Caswell, associate executive director, student achievement and support; Rosanne Glass, executive director, strategic policy; Doug Volk, executive director, Teachers' Superannuation Commission; Brett Waytuck, Provincial Librarian, Provincial Library and literacy; Sonya Leib, senior financial manager of corporate services; and Daryl Richter, manager of capital projects.

Before we discuss the 2010 or '11-12 budget, I would like to take a minute to tell you about a few of the significant accomplishments we have made over the last few years. These accomplishments have had a positive impact on Saskatchewan's families.

Since November of 2007, we have committed to funding for 38 major school capital projects and more than 580 additional smaller school capital projects across the province. This brings the four-year total to a record of 422.5 million investment in the province's pre-K to 12 [pre-kindergarten to grade 12] education infrastructure. We have made record investments in early learning and child care, including a 35 per cent increase in child care spaces and a 75 per cent increase in the number of

pre-kindergarten programs. This brings the total number of licensed child care spaces, operational or in development, at the end of 2011-12 fiscal year to approximately 12,700 and the total number of pre-kindergarten programs to 270. In addition government will fulfill its promise to provide education property tax relief. These are just a few of the examples in how we're making a difference to Saskatchewan's families.

The 2011-12 ministry budget continues to focus on improving educational outcomes. We know that a strong education gives young people the best start in life and provides a wider range of opportunities for young people as they enter the workforce. As a result, the total ministry budget for 2011-12 is \$1.4 billion. This represents a 117.6 million or a 9 per cent increase over last year.

The overall funding for school divisions will increase by 36 million or 2.3 per cent in the 2011-12 based on the government fiscal year. Education property tax will be reduced by 55.6 million, fulfilling the government's commitment to reduce education property tax. 19.9 will be provided in capital — 13.9 million of that for school capital, 4 million for school-based child care capital, and 2 million for pre-kindergarten capital funding. Approximately 6.1 million of this capital funding will be for nine projects in six school divisions to achieve approval in principle moving to detailed design. The projects include three new schools, two gymnasiums, and four additions or major renovations.

We know that investment in the early years is critical and will help to address student outcomes. The '11-12 budget includes 2.1 million for 500 additional child care spaces and 2.6 million for 40 new pre-kindergarten programs primarily targeted for vulnerable three- and four-year olds.

Closing the achievement gap between First Nations and non-First Nations students remains a high priority for this government; 2.9 million is dedicated to support First Nations and Métis education. This will allow the ministry to move forward with proven initiatives that will strengthen education outcomes for First Nations and Métis young people.

We also value the role and the tremendous programs and services of the many community-based organizations connected with the ministry, and they will receive a 1.5 per cent increase in funding. We remain committed to highly literate citizens with equal access to information, so libraries will receive a general increase of funding of 1.5 per cent in this budget as well.

So these are the highlights of this year's budget, and it concludes my opening remarks. We look forward to the discussion on education and the important role that it plays within our province. And with that I open the floor for questions.

The Chair: — Thank you, Madam Minister. Mr. Broten.

Mr. Broten: — Thank you, Mr. Chair, and thank you to the minister and all of the officials who are here this evening. I'm not used to opening remarks so brief, so I thank the minister for being so succinct this evening.

My initial question to the minister, please: when did the minister decide that the province would not be keeping its promise to provide long-term sustainable education funding formula to the school divisions?

Hon. Ms. Harpauer: — I believe the member is referencing the funding formula because we have given increase in funding for the school division each and every year, which far exceeds inflation or increases in enrolment. So to say that the funding that we've been giving them is not sustainable is not accurate. The new funding formula, the decision was made in February.

Mr. Broten: — In February? At the beginning of February or mid-February, late February?

Hon. Ms. Harpauer: — I made the announcement, I believe it was about the third week, but I could be mistaken in that. The advisory committee that worked for the past two years on the change in the funding formula worked on this for two years, but they didn't report out of with their work until the end of December. So that did not leave a lot of time to finalize the work that they had done or to put it through this year's budget.

There will be some adjustments that perhaps need to be done, some analysis on the different elements within the funding formula. So rather than have a formula that was equally uncertain, we chose not to move ahead. And although the school divisions have been very anxious to see a new funding formula, they were not pleased with the previous FOG [foundation operating grant] formula that the province has used now for a number of decades, and they do want to see some equalization among the funding for school divisions. So there was a disappointment, but there was also an acknowledgment that it is a huge initiative, and they didn't want to see it move forward if it indeed needed a lot of work yet.

Mr. Broten: — Could the minister please identify the individuals or the groups that were involved in the process of coming up with a new formula, please.

Hon. Ms. Harpauer: — The advisory committee was made up of individuals from SSBA, the Saskatchewan School Boards Association, LEADS [League of Educational Administrators, Directors and Superintendents], SASBO [Saskatchewan Association of School Business Officials], STF [Saskatchewan Teachers' Federation], FSIN [Federation of Saskatchewan Indian Nations], and MNS [Métis Nation of Saskatchewan]. And within those blanket organizations, there was about 81 individuals that worked on different elements of the funding formula along with ministry officials.

Mr. Broten: — How many ministry officials would've been involved in that process?

Hon. Ms. Harpauer: — About 17.

Mr. Broten: — 17?

Hon. Ms. Harpauer: — Oh, I'm sorry, seven ministry officials.

Mr. Broten: — And there is no . . . without . . .

Hon. Ms. Harpauer: — I'm sorry. This is one subcommittee example, was seven ministry officials and ten partner representatives from the organizations that I listed.

Mr. Broten: — So that's one subcommittee. How many subcommittees would exist out of that larger group? I believe you said about 80 individuals?

Hon. Ms. Harpauer: — Six subcommittees.

Mr. Broten: — Six subcommittees. Could the minister please state the titles of those different six subcommittees please?

Hon. Ms. Harpauer: — Yes. Data systems, accountability evaluation and reporting, school administration and legislation, pre-K strategic framework, communications, and financing.

Mr. Broten: — Thank you. The minister gave one example of the membership of one of the subcommittees. I believe the minister said 7 ministry officials and about 10 others. Is that ratio or makeup consistent through all six subcommittees or does it differ some?

Hon. Ms. Harpauer: — For example, school division and administration legislation was six ministry and seven representatives from the representative groups. In the pre-K strategic framework, there was 10 ministry and 11 from the representatives. So close, yes.

[19:15]

Mr. Broten: — What about the finance subcommittee? I believe there was a finance one listed.

Hon. Ms. Harpauer: — Finance was the seven and ten that I gave you initially.

Mr. Broten: — Okay. The ministry representation on those subcommittees, is it unique representation, or is there some overlap in individuals who are present on the different subcommittees?

Hon. Ms. Harpauer: — There's a little bit of overlap.

Mr. Broten: — Okay. Without necessarily giving, it's not necessary to give the names of the civil servants who were serving, but could the minister please give an idea of the level within the ministry that individuals who sat on these subcommittees, what level in the civil service or in the Ministry of Education they were serving in?

Hon. Ms. Harpauer: — They were executive directors and directors.

Mr. Broten: — Okay. How often would an executive director within the Ministry of Education report to an ADM [assistant deputy minister] or a deputy minister? How often would that occur?

Hon. Ms. Harpauer: — On this particular project, or how often do we meet in general?

Mr. Broten: — In general.

Hon. Ms. Harpauer: — It varies. Now that we're in session, I'm meeting with my officials every week.

Mr. Broten: — And when you have those meetings, how large would the group be that you meet with?

Hon. Ms. Harpauer: — Generally about five.

Mr. Broten: — Okay. And that would include a deputy minister, ADMs, and some executive directors?

Hon. Ms. Harpauer: — Yes.

Mr. Broten: — So outside of session, how often would you meet with this group of individuals?

Hon. Ms. Harpauer: — There has been times where it's been a three-week lapse before I have an opportunity within my schedule to meet with them.

Mr. Broten: — Okay. But it would certainly occur monthly?

Hon. Ms. Harpauer: — We try.

Mr. Broten: — You try. Okay.

Hon. Ms. Harpauer: — I have two ministries, so it does get a little hectic at times.

Mr. Broten: — With those individuals . . . So there were on any given subcommittee, there were about seven ministry officials, and I'm correct in my understanding that those are executive directors?

Hon. Ms. Harpauer: — Yes, or directors.

Mr. Broten: — Or directors. So the minister identified mid-February as the decision point when she made the decision that if the formula would not be going ahead. In the months prior to that, say for the seven months prior to that, on how many occasions would you have met with the group of individuals that we spoke of?

Hon. Ms. Harpauer: — On the advisory committee?

Mr. Broten: — No, your senior leadership team within the ministry.

Hon. Ms. Harpauer: — Let's just take an average of twice a month — for seven months, 14 times maybe.

Mr. Broten: — Okay, twice a month. Now how often were the subgroups meeting that were working on the funding formula?

Hon. Ms. Harpauer: — No clue. The deputy minister will answer that question.

Ms. Roadhouse: — The subcommittees called their own meetings and then that was dependent on the kind of work that they were doing. And then the subcommittees, each time before an advisory committee, wrote a report that was distributed to all members of the subcommittee, and then that was presented at the advisory committee meetings.

Mr. Broten: — It's a lot of meetings. So is there a rough idea how often these subcommittees met?

Ms. Roadhouse: — The finance subcommittee would meet fairly often and, you know, some of the others would meet maybe every six weeks, couple of months.

Mr. Broten: — Fairly often, what does that mean? How often? What frequency is fairly often?

Ms. Roadhouse: — For the subcommittees?

Mr. Broten: — Yes.

Ms. Roadhouse: — Probably about every six weeks would be a good average.

Mr. Broten: — Okay. And the finance committee in particular, how often was the finance subcommittee meeting throughout the process?

Ms. Roadhouse: — I'm going to have to ask somebody.

Ms. Senecal: — Cheryl Senecal. The finance committee would probably have met on an average once every six weeks, but the finance committee also had a working group that would have met much more often than that. So that working group certainly would have had more frequent contact. Their work then fed into the finance committee on that probably six, four to six week rotation. The finance committee was certainly one of the most active committees along with its working group. So certainly at certain points of the process, the working group would have been meeting quite frequently.

Mr. Broten: — So is it fair to say over the past year the finance subcommittee, either the finance subcommittee itself or its working group, was meeting on an average of every other week throughout the last year?

Ms. Senecal: — I wouldn't say that throughout the year that would have the case. I think that there would have been periods of time where the working group would have been meeting very frequently, but I wouldn't say that that would have been consistent over the entire past year.

Mr. Broten: — Okay. But there could have been, between working group meetings and subcommittee meetings, there could have been 25 meetings at least over the course of the year?

Ms. Senecal: — Probably more like 20, I would say.

Mr. Broten: — Could the minister provide the committee with a list of the meeting dates for the finance subcommittee and the working group over the past year?

Hon. Ms. Harpauer: — Yes we can. Can't tonight, but we'll get that information for you.

Mr. Broten: — That would be great. Thank you very much. On the finance subcommittee in particular, what is the position of the highest ranking ministry official on the subcommittee?

Hon. Ms. Harpauer: — Executive director.

Mr. Broten: — Does that executive director, is he or she part of the larger leadership meetings that the minister referenced?

Hon. Ms. Harpauer: — From time to time she would be, but not consistently. No.

Mr. Broten: — My question is, as recently as December 1st, 2010 the minister made comments publicly as shown in *The StarPhoenix* on December 1, 2010. The title of the article says, “Education funding strategy due in March. Government most concerned with distribution.” And the opening line is, “The provincial government is closer to unveiling its new funding formula for Saskatchewan schools.” And the second sentence says, “The province has promised this new funding strategy will be in place by budget time in March 2011.” So the date of that article was December 1st, 2010.

And then the minister stated that in mid-February she decided that the formula wasn’t going to go ahead. And there’s also a *StarPhoenix* article from February 16th, 2011 where it says, “School formula will wait. Province reneges on promise to meet budget deadline.” And there is a part of a sentence in the second paragraph that talks about the decision, and it says, “. . . reneging on the oft-repeated promise by ministry officials to deliver a new formula by this year’s budget.”

So my question is, given the fact that we know there were dozens and dozens of meetings of the working groups and the subcommittees, and given the fact that on the finance committee itself there was an executive director who would often be part of briefings with the minister, how could the minister on December 1st, 2010, if she had been briefed and up to speed on this process, how could she say that everything was clipping along and that the ministry was on target to meet the promise?

Hon. Ms. Harpauer: — The concerns came when the framework was presented at the end of December, was actually putting it through the realities of the different budgets of the school divisions, and it raised some questions. And I wasn’t going to go forward until those questions were answered.

You haven’t been in government, and you’re not familiar perhaps with the budget process, but the budget process begins in November and it is finalized in February. So there wasn’t enough time to have any analysis of why some numbers should be questioned for individual school divisions before the budget is finalized. So I wasn’t going to just put it forward.

It was not an easy decision because you’re absolutely right; I am then going and taking the responsibility of not having it ready. But I was willing to do that than unroll a seriously flawed formula until I understood why some school divisions perhaps seeing very large increases that no one could answer the question of why the formula worked out that way, and others seeing substantial decreases without some understanding of why. So yes, maybe it was politically not the political thing to do, but it was the correct thing to do.

Mr. Broten: — Well I think it might have been the political thing to do, but in a different sense. The minister’s correct. I

haven’t served in government, but I can read a newspaper clipping. And there’s two very different stories over a very short period of time. And we’ve established here that the minister had ample opportunity to be briefed about how discussions were going along. And I realize perhaps the final product would not have been ready during the briefings, but certainly there would’ve been a general sense of the concerns being raised and some of the pitfalls and challenges that might come with a funding formula, I would assume, if such briefings were in fact occurring.

My question to the minister: I understand that now recently she spoke to the SSBA a few weeks back, and this of course was an issue that was raised by the school boards as it’s one of the largest issues being raised by school boards at this time because of the fairly significant implications it has to the planning and the work that school boards undertake of behalf of Saskatchewan students and parents.

My question to the minister: I understand that she stated there would another draft model formula available to boards in early fall, is what I understand she told the SSBA. Could the minister please confirm or deny that and then also give an idea of if it is early fall I’d understand, it would seem that there are individuals working on this. What is the firm date in early fall where the new model will be available?

Hon. Ms. Harpauer: — It isn’t another draft of another model. It will be having the analysis of the existing model coming forward. You have made a number of assumptions that (a), I had briefings on the formula. And those briefings would’ve consisted that the categories that we’re looking at within the formula will be such things as transportation, administration, governance, infrastructure, plant and maintenance within an instruction. And within instruction they’re going to look at such categories as the base funding along with support services and instructional resources, etc., etc. To see a framework does not give an indication of how it actually translates to a certain school division. So your implication is incorrect on whether or not the briefings had the details that you were suggesting.

The other sort of assumption that you made was that school divisions want this pushed through, no matter what. And I have a number of quotes from school divisions that are saying no, in fact they didn’t, if it isn’t, if there is questions around it. And I can put all those quotes into record if you so please. But there is disappointment because the school divisions do not want to continue the way that the funding was, which was based on the past FOG grant and all of the inequities that that created.

So we will have an analysis, a small focus group that will analyze the existing framework that has been proposed by the advisory committee. And once they can look at different percentages and see if they are indeed accurate on the different percentages, what percentages for transportation and what percentages for instruction, etc., then we’ll apply it and meet with each of the school divisions individually and they will see how this will translate for their particular school division. This is a distribution formula. It is not the size of the budget. It is a way of distributing the existing budget. So each and every year we have increased the budgets, but this is a distribution formula.

Mr. Broten: — Thank you.

Hon. Ms. Harpauer: — What we're not going to do is we're not going to return to a situation where school divisions can have varying budgets depending on their tax base assessment. So then you have very wealthy school divisions and those not so wealthy, and those keep returning to the tax base and then we have tax revolts. And we've had that in the past.

[19:30]

Mr. Broten: — In terms of the issues facing the ministry and school divisions at this time, in a ranking of importance, where would the minister rank the issue of a funding formula for school boards: very important, somewhat important, or not important at all?

Hon. Ms. Harpauer: — Extremely important. It is the largest shift in funding for school divisions that this province has seen in decades. We are the last province to have to make the adjustments that are needed when indeed school divisions couldn't directly access the tax base. So it's an enormous shift for school divisions.

Mr. Broten: — So the minister identifies the funding formula as very important and as an enormous shift, and then when the minister described what sorts of briefings and what sort of information she was being told as the working groups and the subcommittees and dozens of ministry officials were involved in the discussions, was I correct in hearing that the minister simply stated that the knowledge she had about the process was that there was simply a structure, and the minister had no idea of how things were going? Because frankly, for something that important, I think that's rather shocking and disturbing if the minister simply knew that there was some committees and some working groups going, but had no idea about how things were going for what the minister identified as one of the most important things facing education.

Hon. Ms. Harpauer: — But we've all identified, and we've heard loud and clear from different members in your party on different issues, that everything must be done with extensive consultation and some confidence in the stakeholders that are involved. And so indeed, did I interject myself into any of those committees that had the stakeholders involved? No, I did not.

And I put my confidence in the work that they were doing. I did not get involved on any committee or subcommittee of the different working groups. And I felt that that work needed to be done on that level, but the final, actual financial, number-crunching analysis perhaps needs to be a little more focused with the smaller group.

Mr. Broten: — I wasn't suggesting that the minister was meddling in the working groups or the subgroups. I was just suggesting that I find it shocking that, for one of the major items facing education, that the minister was not being briefed or took interest in how discussions were going, but simply just was happy that things as she understood were set in motion, and she was just willing to ride it out. I find that as quite surprising.

Hon. Ms. Harpauer: — I guess you are shocked.

Mr. Broten: — Okay. Currently with this funding formula, how many individuals from the ministry are working away at this now? Is it the same number working in the working groups and the subcommittees?

Hon. Ms. Harpauer: — No. The advisory committee is no longer working. And we will choose three or four people with expertise in the area from the education sector outside of the ministry to do an analysis.

Mr. Broten: — So the whole . . . The working groups and the sub-working groups — the seven or so groups identified — that's all shut down, if I understand it correctly, and now there is a formula that has been developed, a formula that the minister says she doesn't like because of what the implications would be. And so now what are the individuals working on this exactly doing?

Hon. Ms. Harpauer: — They weren't full-time employees of an advisory group. They were directors in different school divisions. There was members of STF. This was not their full-time job. My assistant deputy minister says that there still is a small working, part-time group.

Ms. Senecal: — Currently in the infrastructure and education funding branch, on the education funding side of the branch, there are approximately seven staff that still are dedicating at least a portion of their time to the funding model, and some of that time is looking at continuing to do the analysis which the minister referred to, in terms of understanding the impact of the framework on school divisions. And as well, we are starting the process of delineating a plan over the next three months, three to four months, that will again involve some of the key stakeholders from the finance subcommittee.

Mr. Broten: — I don't get this. This isn't matching up. A moment ago, we just had the minister say that this is among the most important issues facing education in the province. And a few minutes ago, prior to that, we had the minister identify dozens of ministry officials that were involved in working groups. And now we hear that's more or less done. There's a few people working a little bit on something and we're getting started, I believe the ADM said — that was the quote — we're getting started on looking at some of the implications.

How do we go from the most important issue imaginable and having dozens of people working on it to now a situation where a few people have part of these files on their desk, but there is really no . . . what I just heard, there was no sense of urgency or no clear plan of what's next?

Hon. Ms. Harpauer: — That's not . . . I understand that's what you want to hear. When you begin something like this, you've got to have discussions on transportation. What do you . . . How do you deal with getting equity in transportation? You've got rural, you've got urban; you've got that issue, so you have those discussions. You have discussions on, you know, pre-K funding: how do we make that equitable and fair for all school divisions? You have the governance piece. You have an administration piece. You have an instruction piece, which then branches out into a number of other areas because instruction in northern school divisions perhaps is more costly than . . . or inner-city schools where you have more vulnerable children, so

that breaks down into another number of proponents. You have plant operations and maintenance. Different school divisions have different numbers of facilities and different age of facilities. And then you have maybe some specific costs that may occur for specific issues in school divisions.

So you have your committees discussing that to come up with a framework. Then you need . . . The smaller group is now working on should the transportation . . . If you have a pie per se, should transportation be what, 2 per cent of that pie or should it be 3 per cent and then dispersed among the school divisions?

They use categories that are within the accounting practices presently used by the school divisions in order to do their budgets, so that will help school divisions, of course, to implement this or understand this because it is their accounting categories that they use when they do their budgets.

So instruction: is 60 per cent of the pie going to cover the instruction costs for the school divisions, or should it be 70 per cent? So let's work with those as they funnel through with the school divisions and get that more accurate. So do you still need a large group discussing what should be involved in the instruction? No, that's been done. The framework's been done. Now let's narrow it down to percentages and what it looks like.

Mr. Broten: — So that's a different story from what the minister just said. Because when I asked if discussions were still occurring about what this formula should look like, the minister said no, what we're going to do is simply run it and see what the implications are for the regions; we're not talking about what it should look like. And then in the last answer, the minister just said, well we're going to talk about what the formula should look like, whether it should be 60 or 70 per cent. Could the minister please clarify because those are two different stories.

Hon. Ms. Harpauer: — Absolutely. Let me try this a little simpler. When I first said what it would look like, I meant what does the framework look like. Now I want to see what the specific numbers, actual budget numbers look like for the school divisions. Does that help you understand what that means?

Mr. Broten: — Yes, and speaking slowly certainly helped with that.

Hon. Ms. Harpauer: — That's good.

Mr. Broten: — So I do appreciate that a great deal. So the minister said to the SSBA that the formula would be available or the models that are being run with the different scenarios would be available in early fall. Does the minister have a hard date as to when those models or those outcomes will be available and given to school divisions?

Hon. Ms. Harpauer: — No.

Mr. Broten: — Well the minister said early February, so the minister must have had some sort of idea of when that would occur. No?

Hon. Ms. Harpauer: — No.

Mr. Broten: — So how would the minister define early fall?

Hon. Ms. Harpauer: — We talked about probably September.

Mr. Broten: — Probably September. What is the level of certainty that it will be in September?

Hon. Ms. Harpauer: — We're going to work on it. We're going to try to hit that target because that then will bring it into the budget cycle that I described to you earlier so that we will understand each school division and, when the budget process begins in November, we will have those numbers.

Mr. Broten: — So in early September when the information is made available to the boards, will this be shared with every board in the province?

Hon. Ms. Harpauer: — Yes.

Mr. Broten: — Will there be public release as well of the information to the broader, broader public?

Hon. Ms. Harpauer: — In what sense? What would the public want to know?

Mr. Broten: — How the formula would be affecting their school divisions. Is it the minister's intention to only release it to the school boards at that time?

Hon. Ms. Harpauer: — Discussions will be with the school boards, but it'll be with their budget, what it will look like with their budget allocation this year. So they're aware right now what their budget is, but what will this formula look like if, if this year it was implemented? I'm not sure what you want to know publicly.

Mr. Broten: — I think the concern has been with the public is that the minister and the ministry has said one thing about the urgency for a formula and has made promises as to when the formula would be released. And having had that promise broken, I think there is some apprehension in the broader public about when this information will exactly be available. So that is the motivation of my question in asking what information will be made available to the public, what information will be made available to the boards, and when that will occur.

Hon. Ms. Harpauer: — It's interesting because actually the public that notify my office are concerned about adequate funding for school divisions. So I'm not sure where the member opposite is generating this huge concern in the public. The public wants to know that there is services for their child that they're interested in, and that there's adequate funding for their school division. They actually — many people in the public, quite frankly, and I would've been one of those years ago — don't know what the school division budget is structured like. At the time when my girls went to school, I didn't know the details of the school division's budget, to be honest with you, or how they allocated it. I just was concerned with the structure within the school they were in, adequate resources within that school, and adequate education for the school.

So I do understand the anxiety of school boards because they do want to see a change and they want that change to happen. They do not want to go back to what used to be with the FOG grant, with having to return time and time again to the property tax base for funding and then the province of course facing a tax revolt because we were on average having an increase in property taxes on average of 5 per cent a year.

So I know they do not want to return to that, but they are anxious to see this new model. They are anxious to see where school division inequities can be addressed.

And I know that your party, when it was in government before, thought that they had addressed it, quite frankly bragged about it. Andrew Thomson on May 11th of 2006 said we fixed the equity in the system. And I quote, "We have fixed the equity in the system so we no longer have an education system that the rich being able to provide a system 25 times better than those in the poor ridings." And he said that because the NDP [New Democratic Party] members at that time thought that amalgamation would fix the problem. But it didn't fix the problem and we still had school divisions. And quite frankly, my daughters went to school in one of those school divisions where the assessment was extremely high due to industries within the area, and they had a very substantial tax base to access. Others did not. So the inequities were not addressed. The school boards wanted to see it addressed. And we are not going back to the system that was.

[19:45]

So this is a huge initiative. I understand it's taken more time than I wanted it to take. But generally parents are not asking me, when I'm out and about at functions or at home in my home community, by the way how's the funding formula going? They are interested in whether or not there's . . . when the new school, or if there's going to be the roof repaired on their school. They're interested in supports for their children if that is needed. And school divisions, rightfully so, want to see what this new formula looks like.

But the increases in funding that we've given to school divisions till the new formula is complete has exceeded both inflation and increases in student enrolment.

Mr. Broten: — Thank you. How often is the minister now being briefed on the funding formula issue with respect to the progress and the implications that are being realized?

Hon. Ms. Harpauer: — Until we get the focus group announced and working on the actual numbers, I'm not asking for weekly briefing at this point in time.

Mr. Broten: — Please expand on the focus group and when that will be established and what it is, please.

Hon. Ms. Harpauer: — In the next couple of weeks I want to have some . . . you know, on the financial side of the stakeholders. So it'll be those that are working actually in the school divisions that understand what it is to structure a school division budget, to work on the framework that we have and the details of how that should be measured out in the different areas within the framework.

Mr. Broten: — How many people will that be and from what divisions, please?

Hon. Ms. Harpauer: — I haven't chosen those people so I can't give you the divisions, but it'll be between three to four people.

Mr. Broten: — Thank you. With that I'll hand it over to Ms. Atkinson.

The Chair: — Ms. Atkinson.

Ms. Atkinson: — Minister, I just want to follow up a little bit on some of your comments that you made to my colleague. And I'm familiar with the whole notion of shifts, shifts when reassessment results in shifts between school divisions. When you do a new funding formula, you use the same pot of money but there may be shifts, depending on the factors and the weighing of the factors that you use.

So tell me this. Obviously your ministry ran the numbers, and they gave you a copy of the numbers and the impact it was going to have, the bottom line for each school division in the province. And I understand that you were particularly worried about your own school division and the shift that was going to take place there. Do I understand it correctly that there was going to be a shift in funding from rural Saskatchewan or primarily rural school divisions to urban school divisions? Is that correct?

Hon. Ms. Harpauer: — No, that's not correct. Nor was it correct that I was . . . And I have two school divisions, so I'm not sure which one you are . . .

Ms. Atkinson: — You were reported to have said this to a group of school officials, that you were particularly concerned about what was happening in your own backyard in terms of the shift.

Hon. Ms. Harpauer: — I don't recall that conversation.

Ms. Atkinson: — Okay. Well that's what I was told, and so I'm wondering. So can you tell me what the shifts were? What was going to happen? What caused you to, so to say, oh we can't do this; the shifts are too great?

Hon. Ms. Harpauer: — There was one particular school division that if you do the blunt math — and this is not my school division — if you do the blunt math per student funding that they presently have, it's fairly substantially higher. And I know it's blunt math because we don't per student fund in the province, never have. But it's seen a substantial increase even though they already have a high per student funding, which really brought to question, why would that particular school division see a substantial increase? What was the factor that was creating that substantial increase when they, per student funding, are considerably higher than others.

Ms. Atkinson: — And what was the answer? Because, because . . .

Hon. Ms. Harpauer: — Transportation.

Ms. Atkinson: — Transportation.

Hon. Ms. Harpauer: — Transportation perhaps is weighed a little too much and that particular school division has distance, a distance factor involved. So you know, how do we take distance into account but maybe not to that extreme? I didn't see an urban-rural shift. It was more of a shift with divisions that, say, had set mill rates well into the 20s as opposed to a school division that had a lower mill rate.

Ms. Atkinson: — So people who kept their mill rates low in comparison to a school division down the road, they would have seen a substantial increase. Is that what you're saying?

Hon. Ms. Harpauer: — Some. In some cases, and again but not necessarily where I am because again the area where I live, it's a high assessment so we could have lower mill rates. But in some cases, yes, they had kept their mill rate quite low, and they will see substantial increases.

Ms. Atkinson: — Minister, with the new funding formula that you're looking at, is there going to be any conditional funding? Because right now we have conditional funding attached to community schools, pre-Ks. Will there continue to be conditional, or will all of the funding that goes to school divisions be unconditional?

Hon. Ms. Harpauer: — There will be some conditional funding. And the reason why I think it's important to hesitate and I know the implication was that politically it wasn't a great idea, but I do think it will be something that we need to, for those in particular that are going to see perhaps a decrease, we need to phase a three-year phase so that they don't actually see a decrease; they will just see less of that year's increase. And so I needed to have those solid numbers in order to start that process for this budget, and we didn't have them.

Ms. Atkinson: — Did you think about adding more money to the pot?

Hon. Ms. Harpauer: — And we might have to for those . . . For those phase-in years? Yes. Yes I do. I think about that a lot.

Ms. Atkinson: — This is not unlike reassessment in many respects. It's not unlike reassessment and what happens in terms of shifts. And you talked about, you know, property tax increases. Well if you lived in a highly assessed area relative to some other place, you might see your taxes going up based on assessment. When does the next assessment come?

A Member: — 2012.

Ms. Atkinson: — Exactly. And you know, here's the other thing that you're going to have to deal with when you're going to be bringing in a new funding model, surely to goodness next budget after the election, and you're going to have reassessment. So I hope your officials are, when they're running the model, they're not only running the model in terms of the new funding model with, you know, your focus group, but also reassessment. Because that has another whole implication as well.

Hon. Ms. Harpauer: — Actually it shouldn't. Because okay,

we've set the mill rates. So okay, if your, if the tax base as a whole in the province brings in, let's just pick numbers that's easy to work with. If the tax base as a whole brings in 100 million, and then you decide that you want 300 million to go to school divisions through the new formula, then you have to from the GRF [General Revenue Fund] put 200 million towards the school divisions. So if the assessment, if the tax base brings in 110 million, and you feel school divisions should get the 300 million, that means that you would then have to get 180 million from the GRF to go through the formula.

Ms. Atkinson: — Right.

Hon. Ms. Harpauer: — Yes. So it shouldn't, the assessment shouldn't make a difference other than the amount that would, needs to come from the GRF. So if you decide school divisions should in any given year have a 5 per cent increase, you take the amount of money, tax, and GRF funding, you add your 5 per cent, what your tax is that year; you know the remaining budget has to come from the GRF.

Ms. Atkinson: — No, but there's still going to be shifts. Okay, there'll be some places where the property is going to increase in value significantly relative to other properties in other parts of the province. So depending on the school division, there could shifts. So I understand what you're saying. On the other hand, with reassessment come shifts in values of property.

Hon. Ms. Harpauer: — Okay. If a school division, through the formula, if it is deemed with a budget of the 300 million that I was just hypothetically using, if it's deemed that that school division is, should receive 20 million of the 300 million, whether they collect 2 million from their tax base, or 5 will not matter. They will get 20 million of it.

Ms. Atkinson: — So when SAMA [Saskatchewan Assessment Management Agency] does its reassessment every four years or whatever it is, that is irrelevant to the funding formula now. That's what you're saying?

Hon. Ms. Harpauer: — Exactly. Exactly. So that if the formula . . . All of the little proponents within the formula will show that that school division should get 20 per cent of the pie. And 20 per cent of the pie works out to 20 million, whether the property within the school division generates 2 million of that or 5 million of that, they will be given their 20 per cent. I'm just using 20 and 20, but if 20 per cent of the pie was 20 million, they would get their 20 million through adding the tax resource and the GRF funding.

Ms. Atkinson: — Tell me this, Minister, are education property taxes going to increase?

Hon. Ms. Harpauer: — We just set a new mill rate, so we haven't even . . . No, why would . . . That's an odd question.

Ms. Atkinson: — Oh well it's not odd if you're living in Saskatoon and you have to pay your property taxes, and part of your property taxes include education tax, municipal tax, and library tax. And so with reassessment, will my education tax on my property — if the value of my property goes up and maybe there's a house down the road and the value of it goes down — do my property taxes go up? Or are my property taxes frozen?

Hon. Ms. Harpauer: — No. You more than anybody know absolutely how property tax works. So that if your assessment goes up and the mill rate stays the same, you know that the amount that you pay goes up. You're well aware of that.

Ms. Atkinson: — So, I guess what I'm trying to understand from you is how this funding formula works, but I guess we're not going to know that until it's finally delivered to the public next spring and the impact it's going to have on property tax payers. And you've indicated to us that what happens in terms of money out to school boards, it's irrelevant in terms of what our property taxes are and what the shifts might be.

Hon. Ms. Harpauer: — That is correct because again I'll just return to, if the budget is the \$300 million . . .

Ms. Atkinson: — Let's use real numbers.

Hon. Ms. Harpauer: — One point four.

Ms. Atkinson: — Right. It's billion.

Hon. Ms. Harpauer: — Billion.

Ms. Atkinson: — How much is collected from property taxes?

Hon. Ms. Harpauer: — It doesn't matter, okay. So that will not matter. So if the budget is 1.4 billion, and let's say we're not going to increase it. So it's just 1.4 billion, and you've got the 28 school divisions that will be entitled to a percentage of that 1.4 billion, based on the different proponents that's in the funding formula. So if one school division, based on their makeup and the different proponents within the new funding formula, is entitled to 10 per cent of the pie, it'll be 10 per cent of the 1.4 billion.

Ms. Atkinson: — Regardless of their property taxes.

Hon. Ms. Harpauer: — Regardless of the property taxes.

Ms. Atkinson: — Okay, thanks. Now I want to talk about capital for a minute.

Hon. Ms. Harpauer: — Yes.

Ms. Atkinson: — Earlier you told us that your government's announced \$422.5 million in capital. Can you tell me how much of that money has actually been spent?

Hon. Ms. Harpauer: — We're going to get Dawn Court to dig out all those records.

Ms. Atkinson: — While you're getting that, can I just ask one quick question about reserves? School divisions have reserves. Can you tell us what, if the funding formula will have any impact on their ability to maintain those reserves?

[20:00]

Hon. Ms. Harpauer: — If the reserves are . . . and some are dedicated. Some are not. So the reserves that are dedicated to capital remain, and they have to use them on the capital projects should that school division have a capital project

announcement. That will help them with their 35 per cent. If they're not dedicated, no.

Ms. Atkinson: — They can't keep their reserves?

Hon. Ms. Harpauer: — No, we won't. Yes, they can keep their reserves. I've spoke to a few. They had some IT [information technology] upgrades that they were looking at, that type of spending, which would be a great way, a new bus or something like that. I'm not suggesting that I will tell them how to spend it, but that's some things that they have asked about.

Ms. Atkinson: — Would boards be expected to have reserves with the new funding model?

Hon. Ms. Harpauer: — Not necessarily, and I don't think it'll be a lot different than what they do now. Some do and some don't. It's very mixed as to whether or not they have reserves right now. I know even with the Humboldt Collegiate . . . that's the Greater Saskatoon Catholic School Division and the Horizon School Division. Horizon School Division has the reserve to pay for it. Greater Saskatoon Catholic does not. It's a shared facility.

I can't see how they would have the ability to accumulate massive reserves, but I would hope that they would be able to set some aside for such things as IT, transportation, sort of that one-time spend.

Ms. Atkinson: — Thanks. I'll just wait for the answer.

Hon. Ms. Harpauer: — I'm just going to get Mike Back to answer this question.

Mr. Back: — Hello. Michael Back. 422.5 was the amount that was accrued. 75.2 million has been returned to the GRF, and currently the payable sits at approximately 200 million.

Ms. Atkinson: — Payable, what does that mean?

Mr. Back: — That's the dollars that have been accrued.

Ms. Atkinson: — So I asked how much of the 423.5 million, so actually it's less than that because 75.2 is returned to the GRF. So in fact we're dealing with about 300 — and let's say — 350 million. How much of that 350 million has not yet been spent? Is that 200 million?

Mr. Back: — Yes.

Ms. Atkinson: — So you've spent 150 million?

Ms. Court: — When you say spent, do you mean paid to the school divisions? Is that what you're referring to . . .

Ms. Atkinson: — Yes.

Ms. Court: — Or expensed?

Ms. Atkinson: — Paid out. Paid out.

Ms. Court: — Dawn Court. So right now with the year-end just ending on Friday and MIDAS [multi-informational database

application system] has just been up and running this morning, we haven't had the opportunity to go back and really do an analysis on what is actually sitting at the payable account right now. We think, based on our year-end numbers, it's about 200 million, and we can provide that exact number to you.

Ms. Atkinson: — Okay, just so I'm clear, so when the minister said there was 400 and . . . we've announced \$423.5 million in projects. Of that 423.5 million, 75.2 million has been returned to the GRF.

Ms. Court: — That's correct.

Ms. Atkinson: — Okay. So in fact we're talking about \$350.3 million in projects, approximately. Of the 350.3 million about 200 million has actually been spent or expensed?

Ms. Court: — Approximately.

Ms. Atkinson: — Okay. So there's 150.3 million yet to spend. Can you tell me where the 150.3 million is? Where is it sitting?

Ms. Court: — So there's approximately 38 major projects that are currently undergo, and 29 of them have been fully funded. Okay. So there's an accrual or a payable that's been set up for those projects. As the minister had spoken about earlier, we had nine projects that were announced this budget year, and those were just approval in principle so that school divisions can move on to detailed design, and that's about 6.1 million. So not every project itself has been fully funded at this point. And then the remainder of the accrual is set up — with the 580, I believe it was — of smaller block projects that are undergo right now.

Ms. Atkinson: — So there's 150.3 million that has not yet been spent. It's been announced but it hasn't been spent. Where is the cash? Where is the money for that? Is it in the Fiscal Stabilization Fund or where is it sitting? Is it in some revolving fund?

Ms. Court: — So it has been expensed, and it's sitting in an accrual. And it's my understanding from Finance that our accrual dollars sit in T-bills, so they're pretty liquid assets for us to be able to access.

Ms. Atkinson: — Terrific. That's all I wanted to know. Okay. Thank you.

Now I want to talk about your capital process, and maybe Mr. Back can come back for that, because it has changed. It's being noticed that it's changed. I want to talk about a written question I asked the minister, and it was about a request for relocatable units for child care. And it was tendered. The tender closed in December of '09, and I guess some sort of decision was made, and it was announced in June. And it was for . . . SaskTender indicated that it was to solicit proposals for the provision of factory prefabricated modular units that are to be attached to school facilities and to be fit up for use as part of a facility to house or assist in housing a child care program, as detailed in the attached RFP [request for proposal] document. That was the proposal. But when the minister made the announcement, it was quite different.

And I'd like to know how it is that there was a request for

proposal for child care modulars that turned into not only child care modulars but also portable school units. How did that happen?

Hon. Ms. Harpauer: — Can you just give me the date for the announcement?

Ms. Atkinson: — The date was June the 1st, 2010, big announcement, 4.4 million for Swift Current for Modus Modular to build 31 environmentally friendly, portable classrooms and child care structures when the RFP on SaskTenders was for child care modulars.

Hon. Ms. Harpauer: — If I'm understanding your question accurately, you feel the RFP went out for child care space and yet we're using them for classroom space, and you're questioning why.

Ms. Atkinson: — Yes.

Hon. Ms. Harpauer: — Yes, okay.

Ms. Atkinson: — It was for child care modulars, and it turned into something much more than child care modulars and a whole lot of them, which is unusual because last time I knew there wasn't sole source contracting over at the Ministry of Education.

Ms. Senecal: — So the original tender, as you indicated, was for child care facilities, and that was tendered. There was, through an RFP proposal, there were four companies that responded and there was a successful bidder. And the original intent, while yes, was for child care facilities, in the process of or in the time ensuing from when the RFP was originally tendered, there were emerging issues around classroom shortages and overcrowding in classroom spaces. So the decision was made to use a facility or the modules that were also very similar in structure and helped to serve the emerging need that evolved at that time.

Ms. Atkinson: — Well that's interesting because it might have emerged, but, you know, the ministry has tended to tender things. And so the question is, emerging issues, why didn't you go back to SaskTenders and tender it again for the classrooms?

Ms. Roadhouse: — The tender or the need at the time, the belief at the time was that if we could produce a standard unit or a company could produce a standard unit, that unit could be converted to child care space or it could be used for instructional space. So it was around, the tender, as I recall, it was around the production of a standard unit.

[20:15]

Ms. Atkinson: — Well I'm going to try and be really polite, Minister. It's my view and it's a lot of people's views that this was total political interference. And I don't want to put the public service in a very bad position, but there was a request to get Modus, which is a company in Swift Current, out of the doldrums. And there was a lot, as I understand it, a lot of pressure put on the ministry to have this company produce these modulars.

Now what's very unusual is it was for child daycare, but when the announcement was made, it wasn't for child daycare only. It was for other portables and it was a \$4.4 million — and get this — investment, investment into Modus, and that was a bit interesting, to get classrooms and child care portables. And that wasn't the original RFP or tender; let's call it RFP. And this is all over the radar screen all over Saskatchewan in terms of school boards talking about this, and in fact school boards that were offered these wonderful units.

And I went to the facility and looked at them. They are, they're very nice. I was down in Swift Current and took a look. But they can produce, they can purchase them for a lot less than what these units presently cost. And so what exactly has happened to the capital branch of your ministry? Do they have the same kind of rigour as they used to? Are there political decisions being made? Is there political pressure exerted on the ministry? Because let me just say this. In 1991 . . . There was political pressure placed on the ministry in the '80s, and there were schools built that are now closed. And so there was a process put in place that was supposed to be transparent and accountable. And this raises a lot of flags for a lot of school officials across the province that believe strongly that there was political interference here.

Hon. Ms. Harpauer: — Well you know it's kind of interesting that there's a number of areas where I know you in particular, and other members of the opposition, have raised this issues of political interference and political favouritism with no proof, no fact, no smoking gun. The officials named or can name, and was in the answer to your written question, the other submissions that came in, in the process. So that an RFP did go out. A number of companies responded and so . . . I know that you like to make a lot of hollow accusations just because you heard somewhere without anything to back it up, and fair enough.

Ms. Atkinson: — Minister, where is Margaret Ball ?

Hon. Ms. Harpauer: — I don't even know who Margaret Ball is.

Ms. Atkinson: — Your officials will know where she is. Where is she now? She was in the ministry for years.

Hon. Ms. Harpauer: — I have no clue who you're talking about.

Ms. Atkinson: — She was in your ministry for years. I've seen her for years in these meetings. She's not here. So I'm curious to know where she is.

Hon. Ms. Harpauer: — I was just informed she took a secondment in another ministry.

Ms. Atkinson: — Right. Now when did she take the secondment?

Hon. Ms. Harpauer: — Pardon me?

Ms. Atkinson: — When did she take the secondment?

Ms. Roadhouse: — Sorry. Audrey Roadhouse. I believe about

a year and a half ago. I need to check. April last year — about a year.

Ms. Atkinson: — April last year. Okay. Thank you. Now can you tell me how many, how many school boards have taken these modulars? How many have been sold or whatever, or have been paid for by the ministry?

Hon. Ms. Harpauer: — Okay. Lloydminster RCSSD [Roman Catholic Separate School Division] have five, five units.

Ms. Atkinson: — Did the ministry pay for them? And how much was that per unit, your share?

Hon. Ms. Harpauer: — It varies from one school division to another.

Ms. Atkinson: — The modulars varied?

Hon. Ms. Harpauer: — If it's capital split, yes, it does.

Ms. Atkinson: — Okay.

Hon. Ms. Harpauer: — Because again, the model that was in place was different varying upon the school division's ability to pay.

Ms. Atkinson: — Okay. So for the five units in Lloydminster, how much was the total costs for those five units between the ministry and Lloydminster?

Hon. Ms. Harpauer: — Do you want me to continue down the list for you?

Ms. Atkinson: — Sure.

Hon. Ms. Harpauer: — Okay. So they will work on the cost. Lloydminster Public School Division, there is two units; Prairie Spirit School Division, six units; Good Spirit School Division, four units; Prairie Valley, one unit; Prairie South, three units; Chinook, two units; Southeast Cornerstone, five units; Saskatoon Public, one unit; and Northern Lights, one unit.

Ms. Atkinson: — So they all sold?

Hon. Ms. Harpauer: — I'm being told that they're all sold and three are just waiting to be relocated.

Ms. Atkinson: — And how many of those, of the 30-odd that we bought, the public bought, how many of those were child daycare units?

Hon. Ms. Harpauer: — Seven were for child care programming, two are pre-K space, and 21 are general instruction classrooms.

Ms. Atkinson: — Okay. I understood that there were going to be about 17 of the units that were going to be for child daycare. What happened there?

Hon. Ms. Harpauer: — I can't . . . I'll give you the answer as I understand it for some school divisions, and my officials can correct me. What happened in a lot of circumstances is the

school, they wanted to use the portable unit as the classroom and they used existing classroom space for the child care, if I'm correct. So although the intent was child care initially, the school division preferred to do the switch and use the modular unit as the classroom and they put the child care in the permanent space of the school.

Ms. Atkinson: — Okay. So I understood that there was, initially this RFP was for 20 child care units and then 11 classrooms. Is that correct?

Hon. Ms. Harpauer: — The original RFP was for 20 units.

Ms. Atkinson: — Twenty?

Hon. Ms. Harpauer: — Yes.

Ms. Atkinson: — And that was 20 child care units?

Hon. Ms. Harpauer: — Yes.

Ms. Atkinson: — And then it morphed into 31. Okay, so how are you doing this now? Are you sole sourcing again, or are your days of sole sourcing over?

Ms. Senecal: — We're currently in a process of looking at the Modus relocatables to assess the appropriateness of them, to assess whether in fact it is a design that is beneficial or preferable. So right now we are looking at those factors as well as the total cost of constructing those. So not just the cost of the module but also the cost of the foundation and the moving and what have you. So all of that is being assessed carefully because we want to ensure that we are using taxpayer dollars wisely.

Ms. Atkinson: — So tell me, do you have the answer now to the previous question? Great. How much?

Hon. Ms. Harpauer: — 156,575 total cost per unit.

Ms. Atkinson: — Is that transportation? Is that the foundation? I don't think so. So what is the cost per unit?

Hon. Ms. Harpauer: — That's just the modular unit.

Ms. Atkinson: — Yes. Yes. So what's the cost of transportation and the foundation?

Hon. Ms. Harpauer: — That would vary. I mean I just know from moving buildings in my past life, that would vary depending how far we're moving it.

Ms. Atkinson: — I'm sorry, Minister, but wouldn't your ministry know this? Because the costs are shared. The foundation, the transportation, and the . . .

Hon. Ms. Harpauer: — But do you want to move it to Lloydminster or do you want to move it to Moose Jaw?

Ms. Atkinson: — I understand that the cost varies on transportation. I think it's about 10 to 15,000, but maybe your officials can enlighten us. And then what's it cost for the foundation? Because here's what we're being told, that many school divisions just didn't go this route because they could do

it for less. This is expensive.

Hon. Ms. Harpauer: — Okay. I'm being informed that that's the very analysis that the ministry is undergoing. The other thing we're . . . Just for your interest, another thing that we have since I've become minister is to relook at the proponent of portables overall because we are now experiencing significant growth. And so when you have those issues, then should we be looking at maybe a larger proponent of permanent construction compared to what we used to do when we weren't experiencing any growth? And so we're kind of relooking at the whole thing.

Ms. Atkinson: — Well this is what we were advised. That it costs about \$350,000 by the time you get all of the — that's what I was told — 350,000 by the time you get the modular, move it, and build the foundation to hold these modulars, and that it was cheaper for school divisions to build them themselves or to get someone else.

The other thing that I've been advised is that there were several companies that would have been involved in this tender process had they known it was for portable classrooms, but the tender was for child daycare. It wasn't for portable classrooms. And so they didn't tender it and then the tender morphed into, I guess in terms of the information you've provided us tonight, most of it was for classrooms.

So I'm wondering if your ministry is going to, you know, if you have to do this again, is it going to be a little more transparent.

Hon. Ms. Harpauer: — Should we tender for modular units? I think we've now seen demonstrated where school divisions actually, quite frankly as I said to you earlier, prefer to do the switch where they took their permanent instruction space, made it the daycare, and moved the instruction space into the classroom. So I can see where, yes, we would have to acknowledge that it could be either-or that we'd be looking at in the tender.

Ms. Atkinson: — Well then how did you, how did your ministry come up with this notion of an RFP for 20 child care modulars if they hadn't gone out and consulted and so on and so forth? How did this happen?

Hon. Ms. Harpauer: — It's relatively new, and I know it's something that you definitely advocate yourself personally of having child care in schools now.

Ms. Atkinson: — I'm just wondering how your ministry arrived at this idea of the modulars. Was this being requested from school divisions? Why did you go to this RFP for modular child daycare facilities?

Hon. Ms. Harpauer: — I wasn't the minister at the time, but I will get the answer from . . . I would think it's to help school divisions to be able to accommodate child care space when they already are using all their classrooms, but I will get that confirmed by my officials.

Ms. Atkinson: — Thanks.

[20:30]

Ms. Senecal: — It's my understanding that at the time that this was considered was actually during the period of time that you referenced the previous person who was in the ministry at that time. And it was her thinking at the time that it would be advantageous to have a block or a group of ready modules to be able to respond very quickly to emerging changes in enrolment. And so that's where the notion came, that if we could have like a, you know, pre-built module, modules that could then be available and very quickly utilized throughout school divisions, that that was what the intent was at the time.

Ms. Atkinson: — But was there not a ramp-up of child daycare spaces by the government at that time? There must have been some discussion between early learning and care in the ministry and capital. So can you help us there?

Ms. Senecal: — Yes, I've been advised that certainly the increased demand for child care was part of the motivation and that certainly the thinking was that it, the modular approach, would be an easy way to facilitate a quick response. And of course there were some additional challenges that came about in terms of being able to also include the necessary plumbing and what have you. So hence school divisions found it a better option to take the modules, use them for — let's say — a grade 6 classroom versus the child care spaces that could then be put inside the main structure of the school.

Ms. Atkinson: — So is the cost of the classroom module less than the cost of the child daycare module?

Ms. Senecal: — The actual cost of the module was the same regardless, but it was then the extra requirements of plumbing — let's say — for a child care space that added the extra costs.

Ms. Atkinson: — So I guess my final question to the minister on this, and maybe you can enlighten us, Minister, has your capital process changed at the ministry when it comes to sole sourcing?

Hon. Ms. Harpauer: — Well to my knowledge, since I've been minister, we haven't had any capital because each of the school divisions do their own. So this probably was the last sourced project, I would think. And it was tendered.

Ms. Atkinson: — And can you tell me when the last tender was, before this one?

Hon. Ms. Harpauer: — I'm being told that I was correct, that there has been no RFP for capital since this one.

Ms. Atkinson: — Before . . .

Hon. Ms. Harpauer: — And before . . . they're uncertain. None of the officials here tonight can recall an RFP before this.

Ms. Atkinson: — I'm sure that's true because there hasn't been any. And so that's what makes this so unusual, that there was an RFP for modulars. I haven't seen it done. And so it's unusual and very different.

And that's why I just make this point, Minister, that as I understand it, there was pressure to do this because there was a company in Swift Current that had laid off a bunch of

employees. They had been on temporary layoff notice. There had been an arrangement made with the Post-Secondary minister and EI [employment insurance], I guess whatever it's called now, employment insurance. And then as soon as this announcement was made, that was over and they were rehiring again. So I guess we'll let the fact that there had never been an RFP before, hadn't been sole-sourced, that was not the policy of the ministry, then all of a sudden this came about and now you're . . . I guess that speaks for itself.

Hon. Ms. Harpauer: — Perhaps, perhaps not. I mean it speaks for the line of thinking and the line of questioning that we've heard time and time again from the members opposite because they're continuously trying to find issues such as this to create a misconception.

There has never been in the province the type of growth we're experiencing. There has never been actually such an aggressive expansion of child care in this province. So there's a number of things that have never happened before, and there are pressures in the school system. There are pressures for child care space. And so yes, you may if you so choose, and you will, constantly try to find that smoking gun issue that you have tried time and time again, with no documentation, no proof, nothing to back it up other than speculation and innuendos, and fair enough.

But we have growth, and we're trying to expand aggressively in child care spaces because it was sadly neglected for decades and we have some communities that are seeing substantial increase in students. It's not everywhere in our province, fair enough, but the member opposite is well aware of the situation that's being faced in the outlying communities around our major centres, and how they're seeing families move there, and they're seeing growth in enrolment numbers. And they are getting stressed for classroom space, and we need to address it as quickly as possible. So that's never happened in our province either.

Ms. Atkinson: — Well, Minister, you've just given it the old college try. And I have to congratulate you for attempting to make a silk purse out of a sow's ear.

The reality here is this: that the capital process has been open and transparent for close to 20 years. The ministry or the department — I guess I knew it as the department — didn't sole-source contracts. This was unusual. When I saw the press release last June, I thought hmm; this is unusual because I was very involved in putting the capital process together, so there could not be political interference. And it was, you know, everyone knew what was going on all across the province because that's what we had had in the 80s, so this was unusual. And I guess you've answered the question. This happened once. It looks like it's not going to happen again.

Hon. Ms. Harpauer: — It was tendered. We've given you the names of who else also put in submissions. And I understand that you would like things done the same way they've always been done; however, there was an election and the people chose a different government.

Ms. Atkinson: — They did. You know, Minister, they did choose a different government. But I think that all contractors want and all the public want is fairness. And this was an RFP

for 20 child care modulars, and that's not what it became. That was the RFP. It became 31 classrooms. And a whole set of contractors looking at this, they could have built it. I mean, it's been raised with me. I'm raising it with you because it was raised with me. And it morphed into something quite different.

And there is a view that this is a contract to help a company in Swift Current who'd laid off a whole bunch of workers because the oil patch had gone south. In Fort McMurray they had a Suncor contract which they lost, and this was a company that needed some assistance. Now if that's what we're going to do, that's fine, but then we should just let everyone know that's what we're going to do . . . questions for me for a while.

The Chair: — I'll invite the minister to respond if she wants.

Hon. Ms. Harpauer: — No. Like I said, there's a number of situations where we've heard innuendos and accusations with absolutely nothing substantial to back it up.

The Chair: — Mr. Broten.

Mr. Broten: — Thank you. Just following up, Minister, on the discussion that you've been having with the member from Nutana. With the issue of these relocatables, could the ministry please describe for me how the issue was raised with school divisions interested in receiving relocatables? What sort of discussions occurred with those school divisions who were . . . there were some takers and some who weren't interested. How did that roll out, please?

Ms. Senecal: — Just spoken with my colleagues, and it is my understanding that the ministry's intent here was very much to be able to provide a cost-efficient and an expedient way to respond to the increasing demand for child care spaces at that time. And certainly the cost that was secured was conveyed to school divisions. It is my understanding that because of the ability to expedite the access to space, that school divisions received it positively.

There was one school division that said that they weren't interested, that they wanted to do a stick build, and the ministry supported that. So it's my understanding that, you know, certainly in that one instance anyway, the school division said no, we're not interested in doing it that way. And so we supported an alternative approach. So we very much were wanting to provide a expedient and effective option for school divisions.

[20:45]

Mr. Broten: — In presenting the idea or the prospect of securing these relocatables from the Swift Current firm, did the ministry go to boards and float the idea as an offer or a way that, if you need relocatables, this is an option for you? Or was it the other way around: if divisions needed relocatables and came to the ministry looking for funding to do so, that the Modus option was presented to them? How did that work, please?

Ms. Senecal: — I would say that it's the second version that you presented.

Mr. Broten: — Were there instances where . . . So the version I presented was that if school boards were in need of a relocatable or portables for I guess it's either classroom or early learning centre now, they would come to the ministry, say we have the need for X number of portables. And then the ministry would say, well we have this Modus option. Is that how it worked?

Ms. Senecal: — Yes.

Mr. Broten: — In order to get, in order for the school division to receive funding for such a portable, was there an expectation that they would obtain them through Modus?

Ms. Senecal: — I would concur with that, that it was an expectation.

The Chair: — Mr. Broten, I'll ask that you ask one more brief question, then we'll break for a short recess.

Mr. Broten: — Oh, we can keep rolling for a bit and break at 9. That's fine then too.

The Chair: — I think there's a few members who would like to break soon. You can come back to your questioning right after the recess.

Mr. Broten: — We certainly have quorum, and if there's a member that needs to make a run they can certainly do so, but I will ask one more question.

The Chair: — There's other people that need consideration besides the member of the committee.

Mr. Broten: — My question to the minister: so if a school division came to the ministry and said that we need relocatables for whatever reason, whether that's regular classroom use or child care centre, am I correct in understanding the ministry said to them that they had to go through Modus in order to get MNS ministry funds?

Ms. Senecal: — What I understand is that certainly when a school division would express a need for a relocatable, that the ministry would outline the fact that we had modules available and that this is a way to expedite your need. That being said, it's very clear that certainly in the instance where school divisions said, listen we don't want to go in this direction, we supported that decision. And they used an alternative route. So to the best of my knowledge, while it was presented as this is a viable option and this is in place and this can be expedited, it's not to say that we would disallow a school division from saying, I'm not interested in going this route.

Mr. Broten: — It wasn't presented as a viable option; it was presented as the option. But I understand it's the end of questioning for right now, so I'll carry on after the break.

The Chair: — We'll now recess till approximately 9 o'clock and return to resume the committee meeting at that time.

[The committee recessed for a period of time.]

The Chair: — Welcome back to the Human Services

Committee tonight and consideration of estimates for Education, vote 5, central management and services (ED01), page 46 of the Estimates booklet. And we will resume questioning. Mr. Broten.

Mr. Broten: — Thank you, Mr. Chair. So the discussion before the break, where we left off, we were having a discussion about a firm called Modus operating out of Swift Current, and the arrangement that had been set up through the ministry with respect to Modus providing relocatables or portables for school divisions throughout the province. And we learned that while the initial tender was for an early learning classrooms or facilities, this expanded in scope and in numbers.

So the last line of questioning that I was asking the minister about was the nature of the conversations between the ministry who established this arrangement for the production of relocatables out of Swift Current and how those relocatables ended up getting to school divisions throughout the province, who were in need of space for whatever reason.

And what we just finished, as I understood it in speaking . . . And we're hearing a reply from the ADM that the nature of the conversation with school divisions and the ministry was that of . . . if a division was in need of a classroom or in need of space, they would approach the ministry to discuss the issue and, I presume, to talk about funding to supply the relocatable. And then the ministry would, at that point, say that there's a Modus option through the Swift Current firm. And that this was the expectation of the ministry that divisions would secure the relocatables through this option. So as I recap there, is that a correct understanding according to the minister?

Hon. Ms. Harpauer: — My understanding is that they were, the school divisions would be told that they're available and they're very readily available. However as was pointed out as well, that the member opposite failed to include, was if a school division said that they were not interested, they also could forward their own options.

We have to remember that during this same time — where we're experiencing growth within our province which we haven't before, where we're experiencing a fairly aggressive expansion of child care spaces which hasn't been done before, where we're seeing student numbers increase quite substantially in certain areas which we haven't experienced before — we're also experiencing a shortage of trades because of the construction that's happening in our province overall. So not all school divisions . . . And I know I can speak to my own home community of Humboldt where there was some concern when we announced that we were going to move forward with the new Humboldt Collegiate. There was some concern by the school division whether or not they would be able to find a contractor even available to build the Humboldt Collegiate because the Humboldt Hospital was also being built at the same time.

So there's a number of factors which are unique. I know the member opposite has pointed out this was never done before, but nor have we experienced all of those situations before along with a shortage of the tradespeople that could perhaps do a stick-build anywhere and everywhere in any community.

So there are challenges with growth, fair enough. We are quite excited about those challenges. But this is the new Saskatchewan that we're talking about where there is growth. So yes, school divisions were made aware that this option was available. They were encouraged, if they wanted the space in a relatively quick manner, that this was an option available. Were they absolutely told that there was no other option? We wouldn't consider or entertain some other option that they may have? Obviously that's not the case because we have a school division that did choose a different option.

Mr. Broten: — Those were some speedily crafted speaking points, so I commend your political staff for crafting those. My question to the minister: if a school division took up the Modus option, the preferred option of the ministry, how was the funding determined for that? How were the costs covered for the Modus relocatable?

Hon. Ms. Harpauer: — On average — but it varies from one school division to another — on average the funding split is 40/60: 60 by the ministry, 40 by the school division. However, that varies from one school division to another dependent on their ability to raise money. And that's historic. For child care spaces, we fund 100 per cent.

Mr. Broten: — Thank you. So it's a 60/40 split. So the school division would be required to provide a portion, and the ministry would provide a portion. In situations where a school division chose not to go the Modus route in obtaining a relocatable, how were the relocatables paid for if they chose to go their own route?

Hon. Ms. Harpauer: — Capital projects in our province . . . Perhaps you're not aware, capital projects historically in the province have been a split between the ministry and the school division. Again that varies somewhat, but on average it's a 60/40 split.

Mr. Broten: — So whether the school division opted to go the Modus route or whether they opted to go their own route, it's a 60/40 split more or less. I know there's some differences across the divisions, but there's cost sharing either way. Is that a correct understanding?

Hon. Ms. Harpauer: — That is correct.

Mr. Broten: — Okay. So in situations where a school division felt that they could do it cheaper themselves, certainly there would be reduced costs for that school division because they would still be splitting the costs of the facility, right?

Hon. Ms. Harpauer: — Yes, if they had a cheaper option and they proposed that and it was accepted. Yes, that would be the case if it was cheaper; it would be cheaper for both the province and the school division.

Mr. Broten: — My question for the school divisions that rejected the Modus preference by the ministry: were any of those instances for child care facilities, or were they all for regular classroom usage?

Hon. Ms. Harpauer: — I'm being told that they were for classroom space.

Mr. Broten: — And once again, the breakdown for early learning usage was what percentage for the cost sharing?

Hon. Ms. Harpauer: — For early learning we pay 100 per cent.

Mr. Broten: — Okay. Thank you. For Pre-K?

Hon. Ms. Harpauer: — Pre-K is 60/40.

Mr. Broten: — 60/40. Thank you. We covered some of the costs, or my colleague did in speaking with you about the Modus option and the cost associated. I've had a couple school divisions tell me flat out that they rejected the Modus option because they could make their own relocatables in-house for at least \$75,000 cheaper. Would those numbers be consistent with the ministry's understanding of what it costs to make relocatables under normal circumstances?

Hon. Ms. Harpauer: — I'm being told that, from the analysis that the ministry is now conducting to sort of re-look at the whole relocatable policy and practices, is that it would be in that range if it was built on-site.

Mr. Broten: — Does that include on-site or within division?

Hon. Ms. Harpauer: — I don't think — and I could be mistaken — I don't think we've had a proposal of building it within the division at a different site and then moving it. I don't believe that's been a proposal that's come forward.

Mr. Broten: — Okay. Can the minister explain why . . . Well first of all, is the difference just \$75,000 or is it greater according to ministry officials' understanding?

Hon. Ms. Harpauer: — The officials understand right now that it would be about that and leaning towards a little bit less.

Mr. Broten: — Is that \$75,000 difference, is that simply for the construction of the relocatable, or is there also the transportation and the linkage expenses as well, in addition to the \$75,000 difference?

Hon. Ms. Harpauer: — Built on-site, there would be no moving. So the reason why building it on-site, we're finding in the review, may be cheaper is because of the added expenses, the expense of the move and the foundation that the previous member in her questioning had identified. Now I know what she identified was excessively high, but nonetheless, you still have that added expense of the move and the foundation.

Mr. Broten: — Well I've heard, foundation and move aside, still the actual raw buildings of the two are considerably . . . The Modus expense was greater than what most school divisions could produce in-house.

My question to the minister: if there's at least a \$75,000 difference — and maybe we could squabble over 10 to \$20,000 plus or minus but nonetheless a sizeable difference between the Modus option and school divisions producing in-house — why was the ministry pushing the Modus option so hard on school divisions? Because relocatables have been used in Saskatchewan school divisions for many years, school divisions

know how to make relocatables. They've been using them for some period of time. Why was the ministry pushing the Modus option so hard?

[21:15]

Hon. Ms. Harpauer: — Two that come very quickly to mind, and the officials can give me other reasons of why. One is life span of the Modus is quite a lengthy life span on the Modus units, and their ability to be moved numerous times is a second so that when you have changing situations or emerging situations . . . We have schools that we have added a number of relocatables, but now we've announced that it'll be a new school. So some of those relocatables can go into the next community that's seeing expansion and needing the relocatables. The Modus model can be moved a number of times.

And the third would be expediency — readily available, rather than waiting for the contractor that may or may not be available to do a stick-build. So that's the three that come immediately to mind of why you may choose that preference. However, I am open to the officials adding on to other considerations.

Mr. Broten: — Is the minister suggesting that relocatables aren't currently moved multiple times by school divisions? I remember being a kid and watching portables go through the park every summer as the school divisions get ready for the fall. Is really the ability to relocate a valid reason?

Hon. Ms. Harpauer: — The number of times is the issue, not to relocate once or twice.

Mr. Broten: — What's so unique about the Modus build that they're able to be moved multiple times, and how does that vary from what school divisions do all the time? Because it's my understanding that portables are made to be portable, so I don't understand what's so unique about the Modus design.

Hon. Ms. Harpauer: — I'm being told the way the Modus unit is fabricated, it is an extremely sturdy build that can just withstand more moves.

Mr. Broten: — Okay. The minister in her earlier comments made reference to a re-examination of the portable or the relocatable policy within the ministry as it relates to new builds. Could the minister elaborate on what this re-examination is please?

Hon. Ms. Harpauer: — The uniqueness that we have in our province — and like I said before, it's a challenge, but it's also it's an exciting challenge, but it's one we haven't faced before — is with the growing communities that we have, that they are experiencing a number of families moving in. Quickly coming to mind is Martensville, Warman, Balgonie, White City . . . are four communities that are experiencing this growth, and the growth is families. That is something that this province hasn't experienced.

So should there be in a new build — should there be, you know, a third portable, if that was indeed part of the makeup of the previous schools — should it be a different percentage? There is an argument to be made that in a growing community —

quite frankly, you know — more of it should be a permanent structure. And how do we evaluate the future of that community? So all of those policies are being reviewed.

Mr. Broten: — Is that review occurring in a timely manner that current planning for new schools will be adjusted to reflect the changed ratio of relocatables on a school structure?

Hon. Ms. Harpauer: — Yes.

Mr. Broten: — What are the current guidelines with respect to the percentage of a new facility that would normally be relocatables?

Hon. Ms. Harpauer: — There was a time where approximately 40 per cent would be relocatables, which is also a practice in some other provinces. However as I said, in the situation that we're now experiencing where communities are growing and that growth isn't going to discontinue in the near future, I feel that 40 per cent of relocatables is perhaps high for that type of community situation because the likelihood of that school diminishing, of those families aging and those students exiting without more students coming in, is less likely.

Mr. Broten: — Have there been . . . Earlier on in the evening we talked about models and applying them. Have there been some thoughts as to what percentage would be appropriate in a new build, for example in Willowgrove or in Warman?

Hon. Ms. Harpauer: — We're looking, as I mentioned before, we're looking at other jurisdictions and their models and what they do, and of course we're keeping in mind our situation right now.

The Chair: — Ms. Atkinson.

Ms. Atkinson: — Thank you. Minister, there's one aspect of an answer that you gave us previously that I'm not quite clear on. When I visited Modus in the summertime, when they received an order they would build the modular. Is that not how it ended up being, that once a school board decided they wanted the modular then Modus would build it? My understanding was that they weren't going to build 31 modulars until they had orders. Is that correct?

Hon. Ms. Harpauer: — So I'm being told yes, they build to order and it took between 21 days and a month to build them.

Ms. Atkinson: — Okay. So these weren't modulars sitting there ready to move. The school board had to enter into an agreement to have these modulars and then Modus constructed them. Is that correct?

Hon. Ms. Harpauer: — That's correct.

Ms. Atkinson: — Okay, thanks. A couple of questions about the capital process now that school divisions no longer have the right to access the property base. I recall, Minister, when you were at the SSBA convention, it sounded as though you were going to have a decision on how school boards were going to handle their share of the capital, in February if I recall. And I'm just wondering, has a final determination been made on what school boards are going to do when it comes to their portion of

capital given that reserves are depleting and given that there are projects that have been announced that will have to be paid for?

Hon. Ms. Harpauer: — Yes. And the ministry's having discussions with the officials within school divisions. The one change we've made is, instead of having the differences from one school division and another based on their tax assessment — because as our discussion was earlier, that's going to become somewhat irrelevant — it'll be at 35/65 for all school divisions. They will be able to either, they will have reserves or they will be able to borrow against their tax revenue what it will be.

Now we may have a few case-by-case that we may have to look at because the northern school divisions have a very low tax base. So we'll adjust that on a case-by-case because there is no given year where there is massive number of large capital projects being announced in any given year. But they will be able to borrow against their tax revenue because their tax revenue still comes to them, and then the operating from the GRF will take that into account is what we're going to move towards.

So some will have reserves; some will not. And I mentioned two school divisions, you know, within my own home community that that will be the situation. And this will be worked out with the school divisions as we go forward.

Ms. Atkinson: — Minister, earlier when you talked about, I think if we take the amount that was returned to the GRF, there's about \$350 million worth of school capital projects that have been announced or they're in process. Is that \$350 million the province's share of the school capital, or does that include province and school division share?

Hon. Ms. Harpauer: — That's the province's share.

Ms. Atkinson: — Okay. So what, of the \$350 million that is the province's share of school capital, can you give us the number of the school boards' share of school capital?

Hon. Ms. Harpauer: — My officials are telling me they don't have that kind of detail here. Again, we could do the blunt math, but I can also supply that. Yes.

Ms. Atkinson: — Okay. So if your formula is 35/65 across the piece, let's say, I don't know, 150 million — this is rough numbers, about 150 million that school boards will be responsible for — of the money that is the school boards' responsibility, how much of that is going to be debt financed?

Hon. Ms. Harpauer: — That I definitely don't have. Like I know one school division in particular has 30 million itself in capital reserves. So we would have to look at each school division that has projects and . . .

Ms. Atkinson: — Would you get that for us, please. Minister, you're on Treasury Board. The amount of money that is going to be debt financed by the school division will now become, for the purposes of summary financial statements, debt of the province. So I'm interested in knowing . . . Because of the changes to property, the way that school boards can no longer access the property tax base, on a summary financial basis all revenues and debt of school boards become the debt of the

province. So I'm curious to know, has your ministry . . . I'm sure the Department of Finance has done so. Given the announcements that have been made by the government, how much debt is going to be added to the GRF basically? Do you know that?

Hon. Ms. Harpauer: — No. You know, I just said we don't have that kind of detail here and we'll provide what we can to you. But yes, we're well aware of that. Again, we're the last province, just doing a survey of other provinces, that doesn't 100 per cent pay for capital for their school divisions. So this is another transitional piece that is unusual for our province. But you're absolutely right. We are aware that any school build that has borrowing, it becomes debt of the province.

Ms. Atkinson: — Okay. So given that school divisions can no longer access the property tax base, given that it looks as though the government's made a decision that 65 per cent of the funding will come from the province and 35 per cent will come from the school division — many of whom will have to debt finance — why not just pay 100 per cent of the capital?

Hon. Ms. Harpauer: — Because I suggest that it's not many of them. Many of them have reserves. And so I think we need to transition this as well. Or are we going to take away the reserves? And that was the option we decided not to do.

Ms. Atkinson: — Well I mean if you look at what's happened to reserves, last year you had to indicate, you know, what the reserves were for school divisions and again this year, and it looks as though they're going down. And you want organizations to have some reserves for, you know, leaky roofs and furnaces and that sort of thing. I'm just wondering if a policy — recognizing that there are some divisions with reserves, some without — have you looked at a policy decision not to add debt to the province but to cash finance these schools?

[21:30]

Hon. Ms. Harpauer: — Yes, that is a consideration. We haven't made that policy to date. Priority, quite frankly, right now is twofold: it is to get the funding model itself unrolling and get that understood for all of the school divisions, and then we need to sort of . . . We're going to have to make some policy decisions moving forward as to how school building can go forward because we have a lot of pressure, as you well know, for construction and major renovations of schools. So have we set a policy to date? The answer would be no. Have we had discussions? The answer would be yes.

Ms. Atkinson: — One other, I guess, question on this front. Of the — and I'm going from memory — 28 school divisions in the province . . .

Hon. Ms. Harpauer: — Yes.

Ms. Atkinson: — How many would have reserves that could deal with their capital projects? How many simply don't have those kind of reserves?

Hon. Ms. Harpauer: — Those are the numbers I think that you asked for earlier that we'll get to you.

Ms. Atkinson: — Okay. I asked for . . . Okay. I was asking for what's going, which school divisions have projects and they're going to have to debt finance it. And then of course I'd be interested in what their reserves look like.

Hon. Ms. Harpauer: — Yes. Yes.

Ms. Atkinson: — Okay, perfect. Thank you.

The Chair: — Mr. Broten.

Mr. Broten: — Thank you, Mr. Chair. My colleague has been talking about capital projects, construction projects as it relates to educational facilities. In that vein of thought, there have also been a number of announcements with respect to the knowledge infrastructure program, which is Advanced Education, but some of those projects have been attached to secondary facilities where there's a relationship there with respect to the structure of the buildings.

Could the minister please identify which facilities under her jurisdiction have received funding through the knowledge infrastructure program, please.

Hon. Ms. Harpauer: — Are you talking about community colleges attached to schools?

Mr. Broten: — Yes.

Hon. Ms. Harpauer: — Two, Weyburn and Humboldt, that I'm aware of.

Mr. Broten: — Was there an announcement also in Meadow Lake area? Is the minister aware of that?

Hon. Ms. Harpauer: — I'm not aware of that.

Mr. Broten: — In instances where KIP dollars, knowledge infrastructure program dollars, have flowed to facilities where there is a regional college and a high school attached, what involvement has, or what discussions have occurred with the ministry about that?

Hon. Ms. Harpauer: — The discussion hasn't been whether or not it's KIP. The discussion has been . . . I think I can speak to both communities, Humboldt and Weyburn. Because the existing facility in Humboldt housed the community college campus, then when we reconfigured that facility the community college campus became homeless. So the discussion is basically from my ministry to that of Advanced Education: by the way, we have to build this, and you're going to become homeless. Then the two decisions kind of go hand in hand.

Mr. Broten: — Okay. I don't know the details of this but I think one other example might be Meadow Lake where there is . . . The college's welding program has been incredibly successful for a long time due in part to the commitment of Northwest School Division. So that might be . . .

Hon. Ms. Harpauer: — I apologize, I don't know the Meadow Lake situation. I obviously know my home community because it's under construction, and the existing facility is going to receive a major renovation. Part of it is 100 years old. And that

will make the community college campus homeless because the elementary is going to take the best of the space in the existing facility. The high school is going to move out to the new facility. I also had the privilege of being able to tour the facilities in Weyburn.

Mr. Broten: — Thank you. It would seem that through the knowledge infrastructure program the minister's home community has received a considerable amount of funding. What discussions has the minister had with the Minister of Advanced Education about knowledge infrastructure program funding flowing to her constituency?

Hon. Ms. Harpauer: — As I said, you know, in my capacity now as the Education minister, the discussion was that the community college campus would become homeless when the new high school construction took place. And the existing facility that we have will receive a major renovation as it needs to. There is black mould issues. They have two floors in the original 100-year portion of the structure that they can't even access. So that this is something that has been long, long, long overdue. So then that meant that the community college would need a new campus.

Mr. Broten: — The minister seems quite familiar with the building projects occurring in her home constituency. In discussing the high school or the project with the regional college attached to the high school and the nature of the building project and how KIP dollars have flowed to the community to ensure that is possible, did the minister have discussions with Glen Kobussen about the construction plans and the securement of KIP dollars for that project?

Hon. Ms. Harpauer: — Absolutely none.

Mr. Broten: — On how many occasions has the minister met with Mr. Kobussen to discuss matters related to the regional college as it connects with the local school division?

Hon. Ms. Harpauer: — Zero.

Mr. Broten: — Someone from the community called me and told me that on one occasion the minister shared a meal or a coffee with Mr. Kobussen in a restaurant. And following that, the minister left the restaurant and seemed quite animated or agitated because of something that she heard. And the minister immediately went on her cellphone in her car and made a call following the meeting that she had with Mr. Kobussen. Does the minister recall having such a meeting in Humboldt with him?

Hon. Ms. Harpauer: — There was one occasion where there was a group of individuals — myself being one, Mr. Kobussen being another — that had a lunch following a function, I can't remember the function, at a restaurant. It had nothing to do with the Ministry of Education.

Mr. Broten: — What was the nature of the discussion at the luncheon?

Hon. Ms. Harpauer: — Well, a lot of times in rural Saskatchewan, we tend to discuss water, snowfall. The weather is a great topic in rural Saskatchewan. I actually have a number

of conversations with a number of community members. So for you to think that I'm going to recall the details of a specific lunch where there were a number of people attending, you are mistaken. Obviously there was nothing of huge significance.

Mr. Broten: — And the luncheon that you said was following an announcement or some sort of event?

Hon. Ms. Harpauer: — There was something in Humboldt, and I don't recall what it was right now.

Mr. Broten: — And during the course of the luncheon I would, given the fact that knowledge infrastructure dollars have gone to the regional college and connected to the high school, and with the discussion that we've had about the college merger in your constituency, was the issue of the college merger discussed at the luncheon?

Hon. Ms. Harpauer: — No.

Mr. Broten: — Who were the attendees?

Hon. Ms. Harpauer: — Would the Chair please ask the member how this is related to Education?

The Chair: — Thank you, Madam Minister. I've been closely listening and I've been consulting with the Committee Clerk, and it does seem as we are maybe drifting slightly outside the estimates. But it is not possible for the Chair to complete, have complete knowledge of what falls under the purview of the minister or these particular estimates. And if the matter in question is not part of the estimates, I can ask the minister to say so.

Rule 19(3) anticipates a minister will provide a response even if it is to decline or take notice. The Speaker ruled, April 14th of 2010, that he requested "... the ministers to orally decline the question. The minister may decline with or without reason." That was in the House, but the same rule applies in our committee. So I find the minister's comments to be considered, and I would ask her to either decline or answer the questions if she feels they fall under her ministry.

Hon. Ms. Harpauer: — I will be very, very clear because I think I have answered the questions. Yes, I had on one occasion lunch where myself and Mr. Kobussen both attended along with a number of other people. I have had no discussions with Mr. Kobussen on the link between or the joint build of the community college campus and the high school in Humboldt.

The Chair: — Thank you, Madam Minister. I think that answers that question clearly. Mr. Broten, do you have further questions?

Mr. Broten: — Yes. On the issue of the joint build and the partnership between the regional college and the school, did the ministry have discussions with the school division about the nature of the joint build and the details surrounding it?

Hon. Ms. Harpauer: — I'm being told by my officials other than to know that it was happening. And it would have been, on the school division's part it would have had to have been taken into consideration when they were getting the plans designed

for both the high school and the community college campus.

Mr. Broten: — Thank you. Considering the joint build, has the minister had discussions with any of the board members of the Carlton Trail Regional College about the securing of funding for the joint build?

Hon. Ms. Harpauer: — No.

Mr. Broten: — Does the minister . . . It's my understanding that the minister is good friends with individuals on the Carlton Trail Regional Board or the former board. Is that the case?

Hon. Ms. Harpauer: — Yes.

Mr. Broten: — In your discussions, would the role of Carlton Trail Regional College in the community and the merger and then also the relation to . . .

Ms. Eagles: — Point of order, Mr. Chair. I think this is going way off course. I mean we're here to discuss Education estimates, and we're talking community college. And I mean, we've had estimates with the Minister of Advanced Education and I'm sure we will again.

The Chair: — Thank you, Ms. Eagles. She's raised a point of order on the line of questioning and it falling within the purview of this ministry. Mr. Broten, you'd like to respond?

Mr. Broten: — Yes please. My questions have been about the joint facility and the joint use and what discussions may have occurred between the minister and members of Carlton Trail Regional Board concerning the joint facility which is under the purview of the Ministry of Education.

Hon. Ms. Harpauer: — Actually it's not under my purview because the community college piece of the joint facility was dealt with with the Minister of Advanced Education. It was not done so by myself or the Ministry of Education.

The Chair: — Ms. Atkinson.

Ms. Atkinson: — Just a quick question to the minister. Maybe her officials in capital can help us here. As I understand it, there is an element of the capital process that looks at joint use facilities. Is this a joint use facility?

Hon. Ms. Harpauer: — Actually it was kind of a surprise situation that arose because the previous minister of Education, if I remember it correctly, made the announcement that the Humboldt school, the Humboldt Collegiate, would be built due to issues, as I mentioned earlier, of black mould in the school, etc. And that was when the conversation started because it was the realization at that point that that would then displace the community college.

Ms. Atkinson: — So do we have an answer to that question, in terms of capital and joint use facilities? Is that still a factor in the capital process?

Hon. Ms. Harpauer: — The answer is yes, that's still under consideration. Humboldt is a joint use facility. The collegiate itself is a joint use facility because it is between Horizon School

Division and St. Paul's Catholic School Division.

Ms. Atkinson: — And the regional college, is there . . .

Hon. Ms. Harpauer: — The regional college came in as I explained in my last answer, almost as an oversight. It was not in consideration actually, it was not in consideration of prioritization because it was overlooked, quite frankly, when the Humboldt Collegiate . . .

[21:45]

Ms. Atkinson: — Is the regional college going to be attached to the high school?

Hon. Ms. Harpauer: — Yes.

Ms. Atkinson: — Okay, thank you. Go ahead.

The Chair: — Mr. Broten.

Mr. Broten: — So in discussions about the joint facility, the high school that is attached to the regional college, the existence of this project, has the minister had discussions with the Minister of Advanced Ed about the knowledge infrastructure program funding?

Hon. Ms. Harpauer: — As I answered previously, I brought it to his attention when I was not minister of Education, quite frankly, that the community college would be displaced because the minister of Education had announced that the high school or the collegiate was going to be rebuilt. So then the school division brought it to my attention that this would displace the community college. So I mentioned this to the Minister of Advanced Education. There was a discussion, I believe, between the Minister of Advanced Education and the then minister of Education of where this would occur. And the other place that it would occur of course is Weyburn so that the two of them would work together in planning capital dollars in unison in communities where the two campuses would be joined.

Mr. Broten: — Thank you. And so am I correct in understanding, the minister and the discussion she had about the joint facility, those occurred with the current Minister of Advanced Education, the previous minister of Education, but discussions did not occur with board members of Carlton Trail Regional College?

Hon. Ms. Harpauer: — I wouldn't know if they did or not because it wouldn't be Education that would be talking to Carlton Trail board members. It would be Advanced Education that would be talking to Carlton Trail board members if indeed there was conversations.

Mr. Broten: — I guess I was . . . The point that the minister is in the community with good friends with many of the board members, I thought there could be some overlap there.

My question on the joint facility policy as it relates to builds for the Ministry of Education, it's my understanding that there's a preference given to facilities that are willing to pursue a joint facility. Could the minister please state what the policy is with

respect to the priority placed on Education buildings if they are connected to another facility or in partnership with another partner?

Hon. Ms. Harpauer: — There is a 10 per cent bonus on the facility priority index if it's a joint use.

Mr. Broten: — Thank you. With the priority placed on joint facilities, I'm told that when concerns were raised in the community about the construction and the flow of KIP dollars for projects in the community, I'm told that when concerns were raised with the minister, the answer given to those raising concerns was that this deal has to go through. And the concerns were specifically about the merger. But my question is, did the minister take that line that the merger deal must go through, must plow ahead? Was that based on consideration of the joint facility of the high school or was that for some other motivation?

Hon. Ms. Harpauer: — What minister are you talking about?

Mr. Broten: — The minister with us present today.

Hon. Ms. Harpauer: — I've never had that conversation with anyone. So this is yet another, I was told; I hear — all of this. I'm sorry. I've never had a conversation with anyone in that area.

Mr. Broten: — Thank you for clearly putting that on the record. My question to the minister: with joint facilities, as we look across the education sector, there are some divisions who have been quite keen to explore partnerships, and there are other divisions who have maybe had some reluctance or had some worries along the way.

To the minister: while I thank you for outlining the bonus or the add-on that's given for joint facility projects, is the minister hearing from school divisions about concerns with the joint facility approach, the shared facility, or is there general agreement that that is a good approach to pursue at this time?

Hon. Ms. Harpauer: — There's concerns.

Mr. Broten: — What are some of the concerns that the minister is hearing from school divisions about the shared structures?

Hon. Ms. Harpauer: — The concerns that's been raised with myself have come from the Catholic school divisions. And they want to ensure that they maintain their identity and that share doesn't become too shared, I guess is the simple way of putting it. They want to ensure that, although there may be merit in some joint facilities, they still want to maintain a separation for classrooms and for other things that make them uniquely the Catholic facility.

Having said that, you know, I represent a community where it is 100 per cent shared. So it is something that I think we have to listen to each and every community to see how they would see a shared facility either working or not working.

Mr. Broten: — With the shared facilities, I guess in most instances when we think of it, we think of a public and a Catholic division coming together and sharing a gym or a

library, a commons area, something like that. Is the ministry just as open to partnerships with a division and a non-division partner?

Hon. Ms. Harpauer: — Well I just, and I don't know that this would be something that you have in mind when you raise this. I was just at the Oxbow school opening, a project that was announced a number of years ago, but finally our government gave them the funding to build it. The partner was the community. And so they built a second gymnasium that accesses both . . . Both sides can access the stage, and both will serve a rather different purpose. But the community did the fundraising for their part of that facility. So that, yes, that is also looked at, whether or not communities want to add facilities on to a school and if it's a fit.

Mr. Broten: — And so for the types of partners, it could include — in the minister's opinion — it could include a town, a city, an RM [rural municipality], or a health region? Would those all be fair game with respect to the types of partnerships that would receive the joint status?

Hon. Ms. Harpauer: — I'm being told yes.

Mr. Broten: — And the favourable treatment that those types of joint facilities would receive, is it the exact same type of favourable treatment that a division-to-division partnership would receive?

Hon. Ms. Harpauer: — It's 10 per cent, is my understanding. It would be the 10 per cent of the facility index. Another, you know, project that is shared was the one announced today, which is Scott Collegiate. Again and something they've been working on for eight years, and we finally committed the funding to move the project forward. And it is in partnership with the city of Regina and the public libraries.

Mr. Broten: — Thank you. With some of the joint projects, and I'm thinking of, for example, Willowgrove in Saskatoon, in the large urban areas where you have two divisions coming together to create a hub of the two schools that are perhaps linked together, with the new design of many of the neighbourhoods in the large urban centres, there's been a shift to, a shift away from what many of us would think of the traditional neighbourhood set-up with one big large park.

The cities, at least in Saskatoon, whether it's in Willowgrove or Hampton Village, for example, have adopted more of a linear park situation where the green space is spread out in the community, which is a good thing if people have access to green space in an easier manner, but it reduces the footprint or the piece of land available in many of these neighbourhoods with respect to the co-location of two large schools. So I know that this is a concern that I've heard in Saskatoon as one example. But I'm wondering if the ministry, as it does its planning and maintains a policy of preference given to joint facilities, is taking this into consideration, and what thoughts the ministry has had on this to ensure that the footprint is large enough to accommodate all the traffic, the pedestrian traffic that is associated with two elementary schools side by side.

Hon. Ms. Harpauer: — The Willowgrove situation is definitely unique because it is the largest of, you know,

elementary schoolchildren brought together. And yes, there has been concerns raised, and one of those concerns is just what you have mentioned, of the green space involved. Now I believe the city allocates the green space for school projects. However I see the merit, if we ever have another joint facility of this size, where I think they have a very, very, very valid case that we should be looking at a larger green space for that size of a facility, in particular if it's elementary schoolchildren.

And the other concern that I've heard is how the city and, of course it will be the city's responsibility, but how the city will manage the traffic that's going to be involved around that particular school. So it is unique in that we haven't had an elementary school of that size. However I've heard the school divisions loud and clear and believe that it needs to be a serious consideration should there ever be another project proposal of that size.

Mr. Broten: — Thank you. What are the current ministry parameters with respect to, in a large urban centre, the ideal school size for an elementary school for number of pupils, number of students?

Hon. Ms. Harpauer: — The school divisions make that decision.

Mr. Broten: — Does the ministry have an idea of what the current range is with respect to elementary schools in the large urbans?

Hon. Ms. Harpauer: — So I'm being told that the large urbans may look at about — and again it is school division decisions — about 600 students for elementary, and it would be in the range of 900 for a high school.

Mr. Broten: — Thank you very much. On the topic of capital projects, back on March 18th, 2010, there were some new school announcements and the Willowgrove project was one of the examples, as well as some other projects. This ties into the line of questioning that my colleague from Nutana had made about how much work has been done on these projects. But for the projects that were announced on March 18th, 2010, could the ministry please provide an update with the development and the progress of those projects please?

Hon. Ms. Harpauer: — For the March 18th, 2010 projects, we have St. Joseph middle years school and St. Patrick elementary school, which is a replacement school in the Holy Trinity School Division. The school division is exploring options with Chinook School Division, the city of Swift Current, and the health region and other partners in becoming a joint use partner in a proposed larger joint use project on the north side of the city.

With Willowgrove joint use elementary school, which is a new school and with the Saskatoon Public School Division, the school division is working with the city of Saskatoon and St. Paul's Roman Catholic Saskatoon School Division to define the scope of the joint use facility and is currently in detailed design. And the detailed design is anticipated to be completed by September 2011. Again the Willowgrove joint use elementary school with the St. Paul's would be the same because of course that's going to be joint use so that the detailed design is

anticipated to be completed by September of 2011.

[22:00]

École St. Thomas, which is a replacement school with Lloydminster Roman Catholic School Division, the school division is currently working on a detailed design for the replacement school. The detailed design was completed in March of 2011. The ministry has approved the final plans and specifications, and the ministry is working with the Government of Alberta to ensure that the required funding is in place by both governments before the project is tendered.

École St. Andrew, which is a renovation and an addition with the Regina Roman Catholic School Division, the school division is working on the detailed design for the renovation addition.

The Warman middle years school is a new school with Prairie Spirit School Division. The school division began work on the detailed design of the new joint use middle years school in the spring of 2010. The school division is partnering with the town of Warman on this joint use opportunity, and the school division anticipates the detailed design plans and specifications will be completed by early summer of 2011.

Mr. Broten: — Thank you. From the time . . . What's the normal lag time or wait time from the time the plans are completed and when a tender goes out?

Hon. Ms. Harpauer: — [Inaudible] . . . that there is very minimal lag time.

Mr. Broten: — Okay. For the projects that the minister identified, is it her understanding that the school divisions are content with the speed at which the design and the planning phase has taken, or has the ministry heard concerns about the length of time?

Hon. Ms. Harpauer: — Yes. Like they're responsible so if they're annoyed, they're going to be annoyed with who they contracted.

Mr. Broten: — Well in some discussions I've heard the plans are, have been completed and things are ready but the lag and the holdup has been with the ministry. And that's what I've heard in a couple of . . . in one particular situation. I guess I ask the minister, in ministry, according to the ministry's understanding, there are no projects that are set to go and that are being delayed or held up?

Hon. Ms. Harpauer: — The one that's come to my attention is the École St. Thomas which is in Lloydminster, and that's not our delay. Actually that's right now getting Alberta to commit their dollars for sure. Probably there are incidents where they would like it, you know, to be moved to the next phase quicker perhaps. I haven't heard that. But I know generally there's quite an excitement that there's projects even happening because that didn't happen in the past.

Mr. Broten: — Thank you. I'd like to move to an item that we were able to address, have a bit of a discussion in question period about and some interviews or some discussion following

that as well. And it was concerning the issues of LINC [local implementation and negotiation committee] agreements and the letter that went out from the ministry with respect to stating to directors that they were to bargain. They were to reach deals through the LINC negotiating process, but that there was no guarantee that funding would necessarily be provided to them to cover off.

And in listening to some of the minister's responses at that time and reading some of the coverage that was provided, I guess there's one article from the Regina *Leader-Post* and the opening sentence is, "The Saskatchewan Party government will likely fund local agreements between school divisions and teachers as long as they are not 'crazy,' Minister Donna Harpauer said Tuesday."

So I know in having some discussions with teachers and with boards following that, I think part of the concern is around the use of that word, not so much the word, but the absence of parameters clearly stating what is a reasonable amount, what isn't a reasonable amount, and some concerns about some of the uncertainty that that can cause in the bargaining process as boards go out and try to establish this.

So my question to the minister is if she has any further thoughts on the need to provide clear guidelines to boards as they engage in this or if the comments that she's made so far on this issue are adequate in providing boards the direction they need.

Hon. Ms. Harpauer: — The direction that they got this year is not unique. It's the same direction that they've received since we've been in transition, so this is the third year. So the direction is not unique. Again not a concern raised by my office or to my office from any of the school boards, there wasn't any alarm that was raised with myself or my office.

I think that they understood that this letter was not dissimilar to the language of letters that have been given to them in the past. However, it obviously was an issue for yourself in perhaps a bit of lack of understanding what was meant.

We have, I guess . . . the best way to judge future intent or future practices is to go by the practice of the past. We have, since we've been in transition, funded LINC agreements and the school boards quite frankly have bargained in good faith. So although each and every year we're asking the school divisions to let us know if there's an incremental increase in cost to LINC agreement negotiations . . . and there isn't always. Some school divisions have bargained a LINC agreement that doesn't have an extra cost attached to it. But we don't absolutely guarantee anything and everything. However our past practice is to indeed fund it. So we have a sort of a common, mutual confidence in one another, if you may, that they have bargained in good faith and we have funded it.

Now in the past, that would not have been the case. I mean school divisions had to find within their budgets the money for their LINC agreement negotiations, and if they found that they didn't have enough money to cover their LINC agreement costs, well then their option was again to go to the taxpayer.

Mr. Broten: — Since the discussions that we had in question period and the article that was written about it, has the minister

been contacted by any school boards who have voiced concerns, or are things proceeding fine?

Hon. Ms. Harpauer: — No, I haven't been contacted. Now keeping in mind . . . and you may not be aware. Not all school divisions will be . . . The LINC agreement contracts are not all due or all negotiated at the same time. I believe there's 12 school divisions this year that their contracts will be due. So those will be the school divisions that may or may not incur additional costs because of their LINC agreement negotiations.

Mr. Broten: — Does the minister have the list of those 12 schools?

Hon. Ms. Harpauer: — The school divisions that would have contracts due this year . . . So Creighton School Division, the expiry date is August. I'm sorry. I'm in the wrong list. This is next year's.

Okay, this year's: Chinook School Division, the expiry date is August 31st, 2011. Christ The Teacher Roman Catholic School Division, the expiry date is also August 31st, 2011. Englefeld School Division, the expiry date is June 30th, 2011. Holy Family Roman Catholic, the expiry date is December 31st, 2011. Holy Trinity Roman Catholic School Division, the expiry date is July 31st, 2011. Horizon School Division, the expiry date is August 14th, 2011. Lloydminster Roman Catholic School Division, the expiry date is July 31st, 2011. Northern Lights School Division, the expiry date is August 31st, 2011. Prairie South School Division, the expiry date is August 18th, 2011. Regina, I'm assuming public school division, expiry date is June 30th, 2011. Saskatoon School Division, and again I'm assuming that is the public, is June 30th, 2011. And South East Cornerstone School Division, the expiry date is July 31st, 2011.

So that is 12 of the school divisions that will have LINC agreements expire this year.

Mr. Broten: — Thank you very much. My question has to do with the changes that have resulted from the change that occurred with school boards no longer being able to collect taxes. With that change, it's my understanding that there have been necessary changes with respect to the auditing process and the implications associated with that, that all the funding is now coming from the province. Could the minister please explain how that change has affected the auditing process for school divisions.

Hon. Ms. Harpauer: — The school divisions are now audited by the Provincial Auditor, whereas previously they were not.

Mr. Broten: — And are there associated costs to the school divisions for being audited by the Provincial Auditor now?

Hon. Ms. Harpauer: — The school divisions are saying that there are some increased cost because of the increased costs with their own auditor for the difference in, you know, how they're changing the accounting practices.

Mr. Broten: — Okay. So can the minister explain to me how the auditing process would work? The school division would still contract with an auditor to do an audit for their division, and then that auditor, whatever the firm may be, deals with the

Provincial Auditor in helping him do his audit. Is that how it works? If someone could elaborate on that for me please.

Hon. Ms. Harpauer: — Okay. They have their books audited, and then those audited books go to the Provincial Auditor. So their auditor or their firm doesn't work directly with them, but he would audit their books, and then that is the information that goes to the Provincial Auditor.

Mr. Broten: — And I think I understood through a previous answer that the nature of the audit that is done now differs from what would have been done before in some of, perhaps, the detail or the presentation. Could the minister please state how the audit format has changed now?

Hon. Ms. Harpauer: — For that kind of detail, I'm going to get one of my officials to answer. I know it's more rigorous accounting which is not always a bad thing. But it is unique because school divisions haven't had to come into compliance with the rules of the Provincial Auditor. So we'll get one of the officials to answer that, if we may.

Ms. Court: — So previous to 2009, the school divisions were accounting for their books through fund accounting, and now, as a part of being a part of government organizations, they are required to use PSAP [public sector accounting principles] compliant accounting. So it's a difference in basically cash accounting versus accrual accounting, primarily.

[22:15]

Mr. Broten: — Are there associated costs with this shift in accounting?

Ms. Court: — There's more rigour put on, let's say, the capital, tangible assets requirements. So before, school divisions, when they were doing capital projects, they would just expense that in its entirety, and now they're required to do different types of accounting. There's more rigour to the process.

Mr. Broten: — Okay. I had one school division tell me that the increased costs associated with the new accounting requirements for the audit put them back about an additional \$20,000. Does that sound accurate for what type of increase might be associated with the different accounting?

Ms. Court: — I personally haven't heard that, and I don't think that we've heard that from the school divisions, no. And just to clarify, the Provincial Auditor, he audits more for compliance in legislation on behalf of the province.

Mr. Broten: — Okay. For the increased work that the Provincial Auditor does with the change in his duties or the expansion of his duties to this area, are there associated costs with that change of work?

Ms. Court: — That would probably be a question for the Provincial Auditor.

Mr. Broten: — So there's no transfer of resources or no expense for the Provincial Auditor doing his work. Is that correct?

Hon. Ms. Harpauer: — There is no ministry that directly pays the Provincial Auditor for his services. Perhaps if that is an area where the member is interested . . . I know from my past work on the Board of Internal Economy, looks at the Provincial Auditor's budget. Perhaps that is a discussion that you may like to have with your colleagues that are the members of the Board of Internal Economy because they're the ones that will deal with the Provincial Auditor's budget.

The Provincial Auditor has the opportunity to present, before the Board of Internal Economy, pressures that they see in their budget and ask for the appropriate resources that they feel necessary. So that's all within the purview of that forum.

Mr. Broten: — Well I ask the question because it was something that was brought up with me by a school division because they expressed the concern of the additional expenses associated with the new auditing requirements. And I don't know the details of those expenses, but I certainly take the trustees at their word if they told me that there are associated expenses with that.

Hon. Ms. Harpauer: — And I don't disagree. And I would imagine some school divisions may have a larger increase for their own audit than others to change their accounting practices. So that probably varies.

I go back to . . . and I've had this conversation with school divisions as well. If we one-off what we fund — so if you have an increase there, we'll fund that separate and this separate and the next separate — then we're managing your budget which is not what school divisions want to see at all. They want to manage their budgets. So what we have done instead, like since the '07-08 budget, we have increased funding to school divisions by 20 per cent. So quite significantly, they have had increases that far surpasses both inflation and student enrolment.

And yes, there's going to be more than just that area. There's going to be areas where they're going to see increased costs. Hopefully there's some that they see decreased as well, but they have the legislative authority to manage their budgets. And so the increases that we gave them far surpasses that additional 20,000.

Mr. Broten: — Thank you. I'd like to ask some questions about the issue and the topic of English as an additional language, as that is an issue in many school divisions in the province. We know that in a number of divisions the need for English as an additional language is quite substantial.

From what I've heard across different divisions, there is though some variance with respect to the types of EAL [English as an additional language] services that are provided to new Canadians or recent immigrants as they integrate into the school system. And that can vary in the style of instruction or the number of FTEs [full-time equivalent] per EAL student providing instruction or even the nature of whether you're pulling students out of the classroom for instruction or you're trying to address their EAL needs within the classroom.

My question to the minister or the ministry: is the ministry working toward a standardized policy with respect to . . . not a

policy, but guidelines with respect to EAL instruction in the province? Or is it being left to each school division?

Hon. Ms. Harpauer: — It's being left to each school division, and again I can speak to my own home community. Part of the pressures that we're seeing in particular in the rural — like there we do have a bit of a rural-urban uniqueness — is the rural communities don't often or can't as easily access the services they need because they're just not available in the rural areas. And yet they may have a fair increase in immigrants.

In the case of Humboldt, we had a number of Ukrainian immigrants come there. So they, you know, they've resorted a lot to community resources that are there if it is a language that is known in that community. Now of course we have a number of languages coming in that isn't. And so it is unique for each school division, and they have the authority to hire the staff complement that they feel they need and that they can find available.

Mr. Broten: — Does the ministry have information with respect to, across the school divisions in the province, the number of EAL teachers, FTEs that would be present in the divisions across the province? Does the ministry have access to that information, or does it track that information?

Hon. Ms. Harpauer: — We have, now these statistics are taken at the end of each year I believe.

A Member: — December 20th.

Hon. Ms. Harpauer: — December 20th. So at December 20th of 2010, there were 112 English as an additional language teachers.

Mr. Broten: — And what is their distribution across the school divisions?

Hon. Ms. Harpauer: — That I don't have with me. Do we have that detail? . . . [inaudible interjection] . . . Okay, so we can provide that to you. We don't have the detail per school division here tonight.

Mr. Broten: — Thank you. I'd appreciate that. For the provision of EAL supports or FTEs, is there any targeted funding that comes from the ministry for that type of programming, or is it simply up to each school division to allocate resources as they see fit on that issue?

Hon. Ms. Harpauer: — It's up to each school division.

Mr. Broten: — With respect to some of the partnerships that take place, and the minister referred to her home community for example, there's often a difference between what CBOs [community-based organization] might be operating in one centre — for example, the Open Door Society in Saskatoon or Regina — compared to another, compared to a centre that may not have access to those CBOs that provide services. Is the ministry hearing from divisions that in certain areas, because of the difference in supports that are provided in different communities, that the need is greater in certain places?

Hon. Ms. Harpauer: — Not specifically. And just, the CBOs

tend to be present where the need is the greatest. You know, most of the immigrants statistically are in the larger urban centres, and that is also where organizations such as the Open Door Society and other CBOs are more likely to be located. So I haven't had a specific situation where a community has had a huge increase of immigrants that suddenly there is no CBO to address it. They tend to go hand in hand. The CBOs tend to organize where there is the need and they're very, very good at that. And that's why they are called CBOs because they are community-based and they meet the needs of communities.

Mr. Broten: — Thank you very much. Earlier on in the evening we were talking about education funding formulas and the different components that are included, and the minister listed quite a few working groups on the different areas. Could the minister please explain, or an official explain how EAL needs and communities that have those types of pressures, how that will be incorporated into the education funding formula, please?

Hon. Ms. Harpauer: — It will be in the instruction proponent, or the instruction piece of the pie.

Mr. Broten: — And so what are the other components within the instruction group that are taken into consideration?

Hon. Ms. Harpauer: — Under instruction you'll find such things as the LINC agreements. There will be base funding. There will be support services and English as additional language services. There will be enrolment density considerations, population and size sparsity consideration, intensive support services, vulnerability. And when I say vulnerability that would be low-income families, single-parent families, and possibly other situations that would be considered vulnerable. So that would be the, probably not the only, but the main proponents that would fall under instruction.

Mr. Broten: — Based on the work of the working group as it considered all those different variables, was there a lot of mention made of the EAL consideration, or was it similar to the other factors that were listed within the list that the minister provided?

Hon. Ms. Harpauer: — I can't speak to the working group because I wasn't a part of it, but I know school divisions definitely identify it as a pressure.

Mr. Broten: — Thank you very much. With the a few minutes left, I'd like to move to another area. Another school division that I spoke to raised the issue of the resources that it provides to home-based learning for people that are home-schooling a child but are receiving some assistance from a division in what they do. And it's my understanding that there is some funding that school boards, that divisions receive for the type of assistance that they provide to these families. Can the ministry tell me how many students or families in the province would fall under this category?

Hon. Ms. Harpauer: — Unfortunately that's yet another number we have to get for you, which is the number of students that are being home-schooled. Do you want students and families or just students?

Mr. Broten: — That would be to see both, just to see how many . . .

Hon. Ms. Harpauer: — Then I will have students. I'm not sure if we have families.

Mr. Broten: — Oh. If it's just students readily available that's fine, but if you do have families that would be interesting. What is the amount that is given to school divisions per student that they're offering supports to? What is the dollar amount that school divisions receive?

Hon. Ms. Harpauer: — Fifty per cent of the average per student. There's a per student amount which is considered the provincial average even though we don't fund our school divisions by per pupil allocations. But there is an average that's calculated, and they get 50 per cent of that amount.

Mr. Broten: — Okay. Have there been requests from school divisions for an increase in that amount that they receive per student that they're providing assistance to?

Hon. Ms. Harpauer: — I haven't had that request. Having met with a number of school divisions, that has not been a request that I've been asked for.

Mr. Broten: — Would that be a factor that falls under the instruction category with respect to the new formula?

Hon. Ms. Harpauer: — Yes, that would be a factor I would think is in the instruction piece of the pie.

Mr. Broten: — Okay. Thank you. With that I see our time has passed for this evening, and so I thank the minister and her officials for the discussion and the answers and the information received this evening. Thank you.

The Chair: — Thank you for your comments, Mr. Broten. Madam Minister, any closing comments?

Hon. Ms. Harpauer: — No thank you. I just want to thank the members of the committee and my officials for being here tonight. And I know we all look forward to the next session.

The Chair: — Thank you, Madam Minister, and your officials and those watching at home. I'd also like to thank the Committee Clerks and the people at Hansard that stay these late hours to do this fine work. With that I will ask for a motion to adjourn. Mr. Wyant. This committee stands adjourned.

[The committee adjourned at 22:30.]