



STANDING COMMITTEE ON HUMAN SERVICES

Hansard Verbatim Report

No. 23 – April 10, 2017



Legislative Assembly of Saskatchewan

Twenty-Eighth Legislature

STANDING COMMITTEE ON HUMAN SERVICES

Mr. Dan D'Autremont, Chair
Cannington

Ms. Nicole Rancourt, Deputy Chair
Prince Albert Northcote

Mr. David Buckingham
Saskatoon Westview

Mr. Mark Docherty
Regina Coronation Park

Mr. Muhammad Fiaz
Regina Pasqua

Mr. Hugh Nerlien
Kelvington-Wadena

Hon. Nadine Wilson
Saskatchewan Rivers

[The committee met at 18:59.]

Mr. Park: — Good evening, everyone. My name is Robert Park. I'm the Committee Clerk for the Standing Committee on Human Services.

Although we have a Chair and a Deputy Chair for this committee, they are not able to be here tonight, so as such we will need to elect an acting committee Chair for this meeting.

As a Committee Clerk it is my duty to preside over the election of an Acting Chair. I will first ask for a nomination. Once there are no further nominations, I will then ask that member to move the motion to have the committee member preside as Acting Chair.

I will now call for nominations for the position of Acting Chair.
Mr. Buckingham.

Mr. Buckingham: — I nominate Hugh Nerlien.

Mr. Park: — Are there any other nominations? Seeing none, can I get that member to move that motion please?

Mr. Buckingham: — I move:

That Hugh Nerlien preside as Acting Chair of the Standing Committee on Human Services for the meeting of April 10th, 2017.

Mr. Park: — Mr. Buckingham has moved:

That Hugh Nerlien preside as Acting Chair of the Standing Committee on Human Services for the meeting of April 10th, 2017.

Is that agreed?

Some Hon. Members: — Agreed.

Mr. Park: — Agreed. Carried.

[19:00]

The Acting Chair (Mr. Nerlien): — Thank you, and good evening. We're joined tonight by committee members Mr. Buckingham, Mr. Docherty, and Mr. Fiaz. My name is Hugh Nerlien. We also have Ms. Wilson, and for the opposition we have Ms. Beck and Mr. Forbes.

Tonight I would like to advise the committee that pursuant to rule 148(1), the March supplementary estimates for the following ministry were committed to the committee on March 22nd, 2017: vote 37, Advanced Education; vote 5, Education; vote 32, Health.

The estimates for the following ministries and agencies were committed to the committee on March 30th, 2017: vote 37, 169, Advanced Education; vote 5, Education; vote 32, Health; vote 20, Labour Relations and Workplace Safety; vote 36, Social Services.

**General Revenue Fund
Education
Vote 5**

Subvote (ED01)

The Acting Chair (Mr. Nerlien): — Tonight we will be considering the estimates for Ministry of Education. We now begin our consideration of vote 5, Education, central management and services, subvote (ED01).

Minister Morgan is here with his officials. Minister, please introduce your officials and make your opening comments.

Hon. Mr. Morgan: — Thank you, Mr. Chair. I congratulate you on your election. I am pleased to be here today joined by my ministry colleagues and my chief of staff to speak to the Ministry of Education's 2017-2018 budget. With me today to help answer any questions that committee members may have are Julie MacRae, deputy minister; Donna Johnson, assistant deputy minister; Clint Repski, assistant deputy minister; Rob Currie, assistant deputy minister; Kathy Deck, director, corporate services; Angela Chobanik, executive director, education funding; Gerry Craswell, executive director, information management and support; Tim Caleval, executive director, priority action team; Kevin Gabel, executive director, programs; Alison Hopkins, Provincial Librarian and executive director, provincial library and literacy office; Janet Mitchell, acting executive director, early years; Kim Taylor, director, early years; Susan Nedelcov-Anderson, acting executive director, student achievement and supports; Sheldon Ramstead, executive director, infrastructure; Doug Volk, executive director, Teachers' Superannuation Commission; and Drew Dwernychuk, chief of staff.

This year's education budget is about meeting the challenge of our province. We will continue to invest in what is important and valued by Saskatchewan people while controlling costs in order to work towards a balanced budget.

We all know the fiscal challenges our province is facing right now. Resource revenues have declined by over a billion dollars per year. Every dollar drop in the price of oil costs us \$15 million in revenue. Because of that, we knew this was going to be a difficult budget for everyone. Despite our fiscal realities, this budget shows that we are continuing to invest in our students and early learners as well as the infrastructure of our education system. With that in mind, overall funding for education for 2017-18 is \$2.02 billion. This is a decrease of 145.8 million or 6.7 per cent. Most of the decrease is due to the completion of the 18 new joint-use schools.

Funding for education. Operating funding for school divisions, including education property taxes, will be \$1.86 billion. This is a reduction of \$22 million or 1.2 per cent year over year. This year's budget provides \$419 million for teachers' pension and benefits; this is up \$22 million over last year. This increase is due mostly to fewer retirements as funds credited to the accounts of teachers from the closed teachers' superannuation plan became available to offset funding requirements for the plan in the year of retirement.

There is also \$12.5 million for CommunityNet and live network

services in school divisions, an increase of \$364,000 or 3 per cent from last year.

I can say this fall we will be opening 21 schools, including 18 new schools and 3 replacement schools as well as the completion of one major renovation. This budget provides \$119 million for capital, including \$48.3 million for the completion of the 18 joint-use schools in Regina, Warman, Martensville, and Saskatoon; \$21.8 million to complete the three new traditional builds in Regina, including École Connaught, Sacred Heart, and Scott Collegiate, as well as the major expansion and renovation of St. Brieux school; \$2 million in design funding for two new projects in Rosthern and Weyburn; \$43.2 million for funding preventive maintenance and renewal, and emergent funding. This is up \$5.2 million or 13.7 per cent over last year and the fourth consecutive year since its inception in 2013-14 to see a funding increase. A \$2.8 million expenditure for the purchase of seven new portable classrooms, and \$1 million for facility audits. Including this year's commitment, our government has provided approximately \$1.5 billion in capital funding since 2007.

The joint task force. Our government remains committed to continuing investments to respond to the recommendations made by the joint task force for improving First Nations and Métis education and employment outcomes. The government's overall investment for the joint task force initiative remains at \$6 million, with \$5.1 million coming from the Education budget. This includes \$2.4 million to continue the 16 invitational shared services initiatives; \$1.6 million for the continued implementation of Following Their Voices; \$1 million for Help Me Tell My Story and Help Me Talk About Math; \$100,000 for on-reserve Microsoft software licensing.

Ensuring equitable outcomes and improved student achievement for First Nations and Métis students continues to be a priority for this government. We are providing \$500,000 in funding for summer literacy camps hosted by a number of our school divisions. These camps support the higher achievement of all students, but especially that of First Nations and Métis students. These camps provide rich learning experiences during the summer months and prevent students from regressing.

We are planning to provide \$200,000 in funding for Junior Achievement of Saskatchewan and \$100,000 for the Martin Aboriginal Education Initiative.

Libraries and literacy. This year's budget provides \$3.5 million in operating funding for libraries, a reduction of \$4.8 million over last year. Funding for the northern library system, Pahkisimon Nuyeh?áh, remains consistent with 2016-17 levels at \$974,000. The seven regional library systems will receive \$2.5 million in operating funding, which is a decrease of \$3.5 million. Municipal library funding for Regina and Saskatoon public libraries has been eliminated, which is a reduction of \$1.3 million.

Our government is committed to meeting the challenges of our province, and as such difficult decisions had to be made in order to move closer to balancing our budget. It is our hope that local libraries will continue to work with their municipalities and school divisions to find innovative solutions moving forward.

We are continuing to support library operations with \$2.75 million in resource-sharing grants for a number of other library programs. These grants include supporting CommunityNet in libraries and additional resources for residents with print disabilities. We are also continuing to support literacy programs around the province with an investment of \$1.45 million. This includes funding for the previously mentioned summer literacy camps, family literacy programs, and the Community Literacy Fund.

Early years. Our government remains committed to support the young learners in our province through investments in our child care and early learning sectors. The 2017-18 budget provides \$79.5 million for early years, including an increase of \$2.9 million for the creation of 889 new child care spaces.

There's \$55.8 million provided for child care funding, including the 810 spaces in the joint-use schools and 79 spaces within the three traditional schools being built in Regina. Come September, there will be a total of more than 15,000 licensed child care spaces in our province, an increase of 5,824 spaces or 63 per cent since 2007. We know these new spaces will go a long way to meeting the needs of our growing province.

We are continuing to provide funding for our targeted pre-kindergarten programs. The 2017-18 conditional funding for the 316 existing pre-kindergarten programs is \$20.1 million. Additional funding is provided to school divisions for transportation, school base support, and other expenses, totalling \$7.2 million. This will continue to serve more than 5,000 three- and four-year-old children and their families around the province. Funding for KidsFirst remains consistent with 2016-17 levels at \$15.5 million.

Our government also values the important work of early childhood intervention programs, or ECIPs [early childhood intervention program], around the province for the differences that they are making in children's and families' lives. That is why funding for ECIPs is maintained at \$3.93 million this year.

At the ministry, internally the ministerial budget has been able to find efficiencies allowing the budget to be reduced by \$1.8 million. This includes the reduction of \$300,000 for information technology, the elimination of 12 vacant positions resulting in nearly \$800,000 in savings, and an additional \$700,000 in operational savings.

We also recently announced the results of our education governance review, which began with the K to 12 [kindergarten to grade 12] educational governance report by Dan Perrins. Following the release of the report, we commissioned a six-person advisory panel to consult across the province. They met with 45 education stakeholder groups and received 3,800 online submissions. The panel heard strong support for maintaining elected trustees and ensuring accountability and efficiency within our school divisions. We are in the process of making those amendments to *The Education Act* now, thanks to the great work of our advisory panel and our government's acceptance of their findings.

While our school divisions have made progress towards finding efficiencies, we know that there is still work to be done. We also heard resounding support for the education sector strategic plan

during the public consultations. We are continuing to work with our school divisions and sector organizations to ensure that we are putting our students first in everything we do. We remain committed to the goals set out in the plan for growth and the education sector strategic plan to ensure our students are able to reach their full potential. These include having 90 per cent of our children exiting kindergarten ready to learn; ensuring that 80 per cent of students are at grade level in reading, writing, and math; decreasing the disparity between First Nations and Métis students compared to their non-First Nations and Métis counterparts; and leading the country in graduation rates by 2020.

To give you some background, on April 11th, 2014, former Saskatchewan School Boards Association president, Janet Foord, and I announced the historic education sector strategic plan at the SSBA [Saskatchewan School Boards Association] spring assembly. The ESSP [education sector strategic plan] is the first-ever province-wide plan to be developed in coordination with all education sector partners, approved by the 28 school boards, and accepted by the Government of Saskatchewan.

The ESSP is the action plan to prioritize and deploy the work the sector needs to do in order to achieve the common goal of supporting every student to reach their full potential. It also serves to fulfill the targets we set for ourselves in the plan for growth. Its development incorporated the feedback of more than 1,000 people, including public and Catholic school divisions, Conseil des écoles francsaskoises, First Nations and education directors and principals, the Federation of Sovereign Indigenous Nations, Métis Nation-Saskatchewan, Ministry of Education, school boards, and students.

Ms. Foord was quoted as saying that the ESSP is “. . . a great opportunity for us to achieve the ambitious, yet attainable, desired outcomes that we [all] have for Saskatchewan students.”

This sector plan aligns our province’s shared goals while recognizing local priorities and was designed to put the student first. It provides short- and long-term outcome goals for education leading up to 2020.

[19:15]

Since 2014 the ministry and each school division and First Nations education organizations have used the ESSP to develop their own plans based on the priorities and outcomes identified each year. We are now in the last few months of implementing our third year of the ESSP, and we are seeing early successes in a number of areas. In August we will begin the fourth year, and we remain committed to continuing to work with our sector partners to reach our shared goals.

Early years. Our work to achieve the ESSP goals of leading the country in graduation rates and seeing significant increases in engagement in graduation rates among our First Nations and Métis students starts long before students reach high school. It starts during the early years of a child’s life. That is why our sector-led ESSP includes an outcome focused on making sure students start grade 1 ready to learn.

The ESSP outcome reads, “By June 30, 2020, children aged 0-6

will be supported in their development to ensure that 90 per cent of students exiting Kindergarten are ready for learning in the primary grades.” In the 2015-16 school year, nearly 59 per cent of kindergarten students who were assessed in the fall using the early years evaluations were achieving appropriate development milestones. By the end of kindergarten, 80 per cent of students were ready for learning in the primary grades. We would like to see the percentage of students exiting kindergarten ready for learning continue to rise because we know it’s the first step to reading at grade level in grade 3 and ultimately going on to graduate.

Before I talk about the work that we’re doing to support the outcome, I’d like to explain the early years evaluation, our measurement for this outcome. Since 2014 we have used the annual early years evaluation, or EYE. We use it province wide to help kindergarten teachers assess each of their students’ development with a focus on literacy. The EYE identifies students who are achieving typical development and those who are experiencing some or significant difficulties with developmental tasks.

The EYE is administered every fall and June by all kindergarten teachers in the provincial education system. These results are used by teachers to help support individual students in the classroom, by administrators in the school and at the division level to help guide decision making, and by the Ministry of Education and our education sector partners to evaluate the ways that we are supporting early years development. The EYE results give us the knowledge we need to make informed decisions that will benefit our youngest students. To further support the ESSP early years outcome, a project team has been formed with representatives from 12 school divisions, three First Nations education authorities, and four Ministry of Education staff.

In this coming year, the project team is working on a resource called responsive teaching and assessment to help teachers better respond to the needs of students who require developmental support, reviewing options for pre-kindergarten and kindergarten staff to enhance their early childhood specialization, and surveying kindergarten teachers to better understand the early learning environments in our school by looking at things like teacher qualifications, family engagement, and use of community resources. We will look forward to seeing the results of these actions in the years to come.

Reading, writing, and math. The next goal outlined in the ESSP is to have 80 per cent of our students at or above grade level in reading, writing, and math.

Reading. Reading was identified as an area of focus within the first two years of the ESSP, and I’m pleased to say that the number of grade 3 students reading at grade level continues to rise. School division data from 2016 show that 74 per cent of Saskatchewan grade 3 students are reading at or above grade level. That is a 9 per cent increase from the 65 per cent that was in 2013. Reading rates among First Nations, Métis, and Inuit students have also increased and now 52 per cent of students are reading at or above grade level. Students and teachers in the classroom are in the midst of doing their year-end testing, and we look forward to continued success in this area.

Writing. To support the improvement of writing among our students, provincial English writing tools for grades 1 to 12 have been developed and are available for teachers to use. Also, writing samples and tools are available for grades 2 to 12 French immersion and grades 1 to 12 Fransaskois students.

Math. Provincial math tools for grade 1 to 9 are currently in development and will be available for teacher use during the 2017-18 school year. We will also be looking to the sector for consultation regarding the use of these math tools.

To acknowledge and celebrate the important work in all three areas of reading, writing, and math, we are looking at having a reading, writing, and math literacy day in the spring of 2018.

First Nations and Métis student achievement. We know that Saskatchewan's schools have struggled to engage First Nations and Métis students which has led to a gap in achievement and graduation rates compared to their non-First Nations and Métis peers. Our goal is to achieve significant improvements in engagement and a 65 per cent graduation rate for our First Nations and Métis students by 2020. This corresponds to the Saskatchewan plan for growth target to reduce the disparity by half.

Following Their Voices is a made-in-Saskatchewan initiative formed by successes found in Saskatchewan schools and the voices of our First Nations and Métis students. It is designed to engage and support students through improved relationships with their teachers that will result in increased First Nations and Métis educational achievement and higher rates of grade 12 graduation.

This initiative is now in its second year of implementation and continues to engage and seek advice from a broad range of Saskatchewan First Nations and Métis elders and knowledge keepers. Following Their Voices uses a model where in-school facilitators work with teachers in classrooms to support the development of positive relationships with First Nations and Métis students, to set goals to support teacher growth, to develop structures to support First Nations and Métis students' achievement. Field testing took place in five provincial schools and one First Nations school from January to June 2015. Broader implementation of the initiative began at the start of the 2015-16 school year in an additional 11 schools.

This past fall initiative-level data was released from the first year of implementation. It showed that at Following Their Voices schools, there was a 6 per cent increase in the number of students attending at least 90 per cent of the time, a 10 per cent increase in the number of students attending at least 80 per cent of the time, a 2 per cent increase in grade 10 math final marks, a 1 per cent increase in grade 11 English language arts final marks, a 1 per cent increase in the number of students who achieved eight or more credits, a 2 per cent increase in on-time graduation.

The success of Following Their Voices is measured in an incremental growth. Engagement is the first measure, followed by attendance, increased marks, credit completion, and finally graduation. While early results show incredible promise for the initiative, some measures will not be fully impacted by Following Their Voices for at least another year. Following

Their Voices is currently implemented in 16 schools with 250 teachers participating. This year's funding will allow for the continuation of the made-in-Saskatchewan initiative in 16 schools as well as the addition of new schools and more than 100 new trained teachers.

Graduation rates. The Saskatchewan education sector has targeted an 85 per cent graduation rate by 2020 which will be the highest in Canada. Results for the 2015-16 school year show the provincial on-time graduation rate as 76 per cent and the extended time graduation rate is 83 per cent. These results are an overall improvement over our 2014-15 graduation rates as well as the five-year average. First Nations and Métis graduation rates also increased in 2015-16. The on-time graduation rate is 42 per cent and the extended time graduation rate is 60 per cent which is the highest extended graduation rate for our First Nations and Métis students on record in our province. We hope to see this continue for positive growth.

Understanding the paths students take toward graduation, the reasons they struggle to graduate, helps to address needs of students and engage them in learning that successfully prepares them for each new challenge and step along the path to graduation. Extensive consultation with students, families, and educators are taking place to learn about what works, what does not, and what is needed to support student success. These are essential to help keep the focus on the needs of each individual student.

Conclusion. These are the highlights of this year's education budget. Our government is proud of the investments we have made. We are committed to meeting the challenge of our province by continuing to invest in the important programs and services of our province while also working towards achieving a balanced budget within the next three years. This concludes my opening remarks, and I look forward to answering your questions and further discussion today.

The Acting Chair (Mr. Nerlien): — Thank you, Minister, for your opening comments. And I would be remiss if I didn't thank your officials for being here tonight, and we appreciate your attendance and your support for the minister. I'll open the floor to questions. Ms. Beck.

Ms. Beck: — Thank you. And thank you, Minister, for your comments, and again thank you to all of your officials for being here with us this evening. We will likely be here for a little while, but I sincerely do appreciate the work that each of you do in support of students in this province. And I know that we have all been through a bit of a ride over the last few months, and I do want to let you know that I am sincere in those comments.

I also want to thank my staff who may be watching, the staff in our caucus office who . . . I don't get this mess on my desk without them, so I want to thank them, and also all of those people who have reached out to me before and after the budget to express their opinions. And it is my hope to provide some oversight and highlight some of the questions that they have in addition to those that I have myself.

There's a lot to unpack in education with this budget and I think that I would like to start perhaps where I've heard the most feedback to date and that's with the libraries. The decision to

make the cut to the provincial library system, as the minister noted, a cut that was a very significant reduction, \$4.8 million, \$3.5 million to the regional libraries system and an additional 1.3 million to the two major largest city libraries, Regina and Saskatoon. In talking with people, there was a lot of expectation that this was going to be a difficult budget certainly, and that was the expectation of people around the province. On budget day, when it was noted that the reduction in funding to the library system was 58 per cent and that that was retroactive to the start of their budget year, which is January 1st, there were some immediate concerns.

I guess my first question is, this cut stands out as being rather disproportionate to other cuts in terms of percentage cut to the program for a program that the minister has stated is valued. And I was just wanted to ask, what was the desired outcome with this cut, other than a reduction in the funding, of course?

Hon. Mr. Morgan: — I'd just like to correct one thing. The grant funding is April 1st to March 31st which is the government fiscal year. So there's no retroactivity in the previous year's funding covered up to the end of the government fiscal year. So there's no . . . It does not go back to the beginning of the calendar year; it's based government year to government year. So municipal funding is on the calendar year, but it's continued up to this point in time. So there's no retroactive adjustment.

With regard to the decision process to make the cuts to it, I would like to say this. We have within the provincial library system, there are three components that are, I think people regard as core to that. One would be the interlibrary system, the interlibrary loan system, which we've taken into considerable pride in and I think serves the citizens of our province well.

The other one is the multitype program which allows for a considerable number of different newspapers and periodicals that were available online and can be accessed by a member, whether they're in their home or anywhere else where they might choose to have access to the Internet.

The third one is the CommunityNet so that we have high-speed Internet available in our schools and in our libraries. The reduction to Saskatoon and Regina was 3 per cent in one city and 2.75 in the other. We were of the view that that was an adjustment that could be managed within the resources of the two large city libraries, that it was well under 5 per cent, and that that was something that could appropriately be handled or dealt with through the large cities.

[19:30]

The other portion of it was in dealing with the regional libraries. And we looked at that in the context of what should be paid for by the municipalities, by the regional library system, and thought that this was something that the municipalities might have some options to deal with this. I don't think any of us expected the concern that arose from this. We indicated in the House last week that we want to have some meetings with the regional libraries and with the municipalities and see what things we can do within the existing budget to try and maintain the interlibrary system.

Ms. Beck: — Okay. There are a few things I want to say. The first, the first of these is I know that my office has received about 2,000 emails from people across the province regarding this issue. I have to admit to not having read every single email but I have read a number of them, including a number from directors of the libraries, and had a number of conversations with people who work in our provincial library system.

They have consistently indicated to me that not only is this cut . . . So I'll deal just with the regional library system, the \$3.5 million cut, that this has been exacerbated, the impact of this cut, because they are already a quarter of the way through their budget. But you're indicating that that, that should not, that should not be the case.

Hon. Mr. Morgan: — No. I mean, you know the . . . I'm not sure what the funding interval is that the money flows to them, but we operate on the government fiscal year so there's no retroactivity on it. So if they were . . . You know, I don't know what their annual budget is but for at this point in the year, they . . . You know, when the budget is passed, when it's completed, there will certainly be a reduction from that point forward for the rest of the year.

Ms. Beck: — And you had indicated some willingness, Minister Morgan, to have conversations with these library directors and people within the library system who are dealing with these cuts right now. We've seen head office or headquarters reductions. I think Palliser's was about 75 per cent of their staff were laid off, the suspension of the interlibrary loan system, the one card system, and a number, a number of very significant impacts.

You have indicated that now, that you are willing to have conversation with them. Was there any sort of consultation undertaken prior to these cuts?

Hon. Mr. Morgan: — Budget measure and budget measures usually aren't done by way of much consultation. I want to have the discussions with them. I don't want to take a . . . I don't want to appear that we're being callous or flip. But it is, it is an option to the regional libraries to raise the levy. They're entitled to direct their municipalities to impose a levy. I'm not, at this point, asking or encouraging them to, but what I think they might want to consider doing, before they cut services or before they take difficult steps, is go back to the municipalities that are their members which provide the other portion of funding and decide where they're at with regard to those people.

Now I don't want to get into the debate between whether libraries should be funded at a provincial level or at a municipal level, but we've indicated that we have far more libraries in our province than either of the adjacent provinces on a per capita basis, that maybe they should look at efficiencies. They should look at co-locating in schools. We've indicated that we're amenable to having discussion with the school divisions to see whether there are opportunities for libraries to co-locate. And certainly there are situations where it's not appropriate to do it because the library may already be in a municipal building that's already owned by the municipality, or it may be that the school is such that it can't be configured to have appropriate security. But we know that in a good number of the schools, there are appropriate and there are options that would be there.

The effect of those things may well be that it would enhance the availability of the libraries to members of the public because most of the regional libraries are not open on weekends. Most of them are only open one night per week and some of them are only open one day a week. So if they're able to co-locate or work with the school division, they may well find that they're able to be open and make available their collections for a greater period of time.

Ms. Beck: — There's a few things I suppose that I would like to ask in light of that answer. The first of these would be, I suppose, that the minister . . . Surely you are aware that there are a number of pressures on municipalities with this budget and libraries perhaps not being the least of them. There were significant cuts to funding to a number of municipalities in addition. And I believe that there was, you know, an answer that perhaps was made to one of my questions about there being only one taxpayer. So I know Regina Public has not asked the municipality for an increase due to the fact in part that they're looking for about \$11 million in savings tonight at a budget meeting. So that's one thing that really makes that difficult.

There's also been the suggestion that there are, that the library system can look for these savings in bricks and mortars, but that's not something that is funded by this money that's been cut. Is that correct?

Hon. Mr. Morgan: — The buildings are usually owned by the municipalities that the libraries are in, but the staffing is paid through the regional offices as well as the operating costs, the utilities, etc. So if they are able to co-locate, then it would be a saving.

Ms. Beck: — The staffing for headquarters is paid for through this grant but not the branch?

Hon. Mr. Morgan: — The branch is paid for . . . I'm told that the payroll is usually done through the regional library and it's done through a levy that goes back to the municipality, so a saving that's at the regional level could certainly make a difference back to the staffing costs.

Ms. Beck: — So my understanding, what the Provincial Library, the provincial funding pays for is new material, the van delivery, so moving those items around the region; the e-resources as you had referenced — Hoopla and some of those have been cut already with this cut — the payroll system as you just referenced; the headquarters staff which is where we're seeing huge reductions right now as library systems struggle to deal with these cuts; the computers are paid for; the processing and cataloguing of new items; the vehicles; and the coordination of the provincial program. So some of the programs like the summer reading club, I believe you referenced in another budget line that there was some money going into summer reading programs. This is a place where that's potentially cut with this cut. The municipality . . .

Hon. Mr. Morgan: — The summer literacy program is separate from this.

Ms. Beck: — Right. What I'm suggesting is that it's being paid for in another line but potentially being cut here. The municipalities pay for the library buildings, the branch staff

salaries, the SILS [single integrated library system] fee, office supplies, advertising, and some of those local programs. So I know that a number of people that I have talked to who have had some difficulty with the suggestion that no, perhaps this is a bricks and mortar issue when that isn't something that is actually funded by this money that has been cut.

You mentioned another thing around co-locating in schools. So my understanding is that there are about 90 communities out of about 300 where there is both a school and a regional library. Is that correct?

Hon. Mr. Morgan: — I think that would be close.

Ms. Beck: — Okay. So in those 90 communities, there I . . .

Hon. Mr. Morgan: — Sorry, no go ahead.

Ms. Beck: — No, that's okay. I looked and you were gone. So of those 90 communities . . . I mean there would be different configurations I would suppose for schools. I think of some of the schools that I've been in in recent years where . . . I have family who live in Carnduff, for example, and that was a building that was built specifically to house a regional library when the new school was built. I can think of the school that one of my children goes to where the library is up on the second floor, well past the office where everyone is supposed to check in, and the doors are locked for security reasons.

So people have expressed to me a number of concerns about the idea of co-locating schools and regional libraries. Some of those concerns would be the collections would look different, potentially, at a K to 12 or at a K to 8 [kindergarten to grade 8] school than you would have in a public library; hours; staffing; use of washrooms; accessibility. Does everyone who comes into the school library have to have a criminal record check? You know, some of those concerns.

I'm just wondering if there have been any studies that had been done into the value, or some of the concerns around co-location, if this is done in other jurisdictions, some of that background work.

Hon. Mr. Morgan: — It's actually done in Saskatchewan now, and the concerns that you raise are legitimate concerns and have to be addressed. In Warman, just north of Saskatoon, they have a joint venture library that exists in Warman between the city, Prairie Spirit School Division, and Wheatland Regional Library.

So this is how they handle the issues. During the school day, students have priority use. After the school day, the public does. There is video surveillance. There are separate washrooms that are available for the public. Students use the library during the day under adult supervision.

And then staffing and hours of operation, both the city and the school division staff assist both students and the public. The principal supervises during school hours. The library is open to the public during regular business hours, including when the school is closed, so they have better hours of operation. Monday to Thursday, they're open from 10 a.m. to 8 p.m., Friday 10 a.m. to 6 p.m., Saturday 10 a.m. to 4 p.m. Most of the other regional libraries are not open on weekends at all. So they

share resources. So they shared the collection between the school and the city. They share computers, IT [information technology], office supplies, and furniture. So they actually have an agreement that spells out who has access to what when, and the priority is given to students during the school day.

I didn't ask the question about whether there's portions of the collection that are not appropriate for students to be there, but I presume that that would be part of the protocol that they would have that those items wouldn't be available for student access. So a student accessing the library would have access to both the portions of the Wheatland collection and the school collection, as would a regular member of the public afterwards.

[19:45]

They use separate washrooms and surveillance to make sure that there is not an issue of security with regard to the students that are there. So it seems to be working well in that situation. And there certainly could be . . . And you mentioned one where the library was upstairs. So in that situation where you've got a flight of stairs and limited hours, that one may well not work. It would certainly work better where a school is new, under construction, and planned for this. But there are a lot of them that may well exist, and it may serve to give both students and members of the public significantly enhanced access.

Ms. Beck: — I'm not as familiar with Warman, but was this a facility that was built specifically to have a regional library in the school?

Hon. Mr. Morgan: — I believe that it was, yes.

Ms. Beck: — Okay. So I would suspect that of those 90 communities, the ones that have co-location of regional libraries and in the school system would likely . . . the ones that exist would be those that would be built with that dual purpose. Is that correct?

Hon. Mr. Morgan: — Well not necessarily. Certainly the ones that were purpose-built for that would be, but there's certainly some existing ones that could, if a library is situated in a school where it has an outside door that goes directly to the outside rather than goes through a hallway, that sort of thing, and one where the washrooms could be made available without having access to the rest of the school, then you've certainly got the starting point to make it work.

So I don't know how many of those exist around the province, but I've had calls from some municipalities saying we think the school in our community would be a workable option. So I'm not saying that this is the answer to all of the issues that are there but it's certainly something that can and should be considered, especially in communities where they're smaller communities, where you have both a school library and a public library within a block or less from each other. Why wouldn't they want to consider co-locating? There's also the savings that would go with that technology cost by having only one Internet feed.

Ms. Beck: — I guess you know, if this is the case in a building where there had to be modifications made . . . You mentioned video surveillance and additional or separate washrooms. \$3.5

million doesn't buy you very many washroom renovations, that's for sure.

Hon. Mr. Morgan: — I wasn't looking to say we should take \$3.5 million worth. We're just saying it is a worthwhile exercise to go through to ask the school divisions and the municipalities, is there a business case to be made for this? Is there some synergies that could be there with low or no cost? Or is it something you would say, okay this doesn't work for us now but we're planning something one, two, or five years out with regard to the municipal facilities or the school facilities. And then they could make a longer term plan or have a commitment so that the next time renovations were done, that they would be able to do something at that point in time.

I think the concern that's raised is the very legitimate concern about the security of our students. And I don't think anyone would want to, for the sake of libraries or anything else, do something that would put the security or the safety of our children at risk. It's something that would be an absolutely unacceptable thing to have happen.

So the protocol they developed in Warman appears to be a very workable protocol. I haven't gone and looked through and asked a lot of questions. I know it's there. I know it's in writing and it's working. Whether that can be transplanted elsewhere or not for our 300-plus libraries, I'd certainly like to have the . . . We also know that in the far North we have a number of co-located ones as well, some that would have been put in afterwards, some where there was an existing school library that they turned into a public library. So there was a variety of pieces of history to get to the point where they are.

Ms. Beck: — The funding has remained stable for the library system in the North. Am I correct?

Hon. Mr. Morgan: — Yes. The challenge in the North, it's unique. There is no tax base there so there was no shared revenue, so we maintained that at the same level for that reason. In the remaining part of the province there was a municipal tax base as well. So there's certainly other options for municipalities to consider.

Ms. Beck: — And I'm going to move off this but just so I'm clear, the savings that you would be looking for in co-location, are they building savings or they're collections savings or staff savings? I'm not clear on where the savings are.

Hon. Mr. Morgan: — Well I think the answer would be all of them. If you're co-locating and you're staffing a library with one individual at a time . . . So what you would have had previously is you would have had two locations with two staff members. If you can co-locate with one, so much the better for that. You have a saving there. You would have an operational saving based on the Internet location just being in one location rather than in two. And then the shared collection, to the extent that an adult patron may want to use what would be ordinarily regarded as a school book, but they may well be looking for a textbook or some kind of information that may well be in a school book, or vice versa.

Ms. Beck: — Thank you. I'd like to move on, still on libraries, but a question that has been circulated, and perhaps some

confusion about reserves held by the regional libraries. I note that there's been some communications with some MLAs' [Member of the Legislative Assembly] offices indicating that the libraries should dip into their reserves to maintain funding. Just the question that I have, what is the amount held by each of the regional libraries in reserve?

Hon. Mr. Morgan: — The libraries use a bookkeeping entry called accumulated surplus rather than reserve. So they don't show reserves anywhere on their financial statements. If you make the assumption that all of that is cash, we could certainly give you that number. But we understand that some of the accumulated surplus may well be in capital assets. So I don't know what the actual cash on hand might be. We know that the accumulated reserves are quite substantial. But I don't know how much of it would be, would be actual cash.

Ms. Beck: — I guess what I'm trying to correct here is a bit of a misperception and some false information that is circulating about the accumulated surpluses. And again, the information that I have in talking with a number of people within the sector is that what is being represented as somehow a cash surplus is actually the accumulated surplus that would include assets including the book collection or dedicated reserves or monies held for sick time, for example.

But I have a letter in communication stating that Chinook had \$1.6 million; Lakeland, 1.1; Palliser, 2.1; Parkland, 1.2; Southeast, 2.5; Wapiti, 2.8; and Wheatland, 2.8. So what I'm suggesting is when people are concerned and writing in and looking for answers and phoning for answers, these are the lines that they are being presented with, and it's a misrepresentation of what is actually held in reserve. And it's not adding to clarity on this issue. It's not adding to a sense of trust. It's not adding to a sense of transparency, and it really is upsetting a lot of people because they understand how the accumulated surplus works.

Hon. Mr. Morgan: — Okay. The point you make, there was certainly some misinformation that was gone based on using the term "accumulated surplus." However, we do have some reserve figures. They may include some restricted reserves because of sick leave or some bequests, but by and large, these would be what we understand to be the reserves that we know of.

Chinook, 783,351; Lakeland, 199,941; Palliser, 606,488; Parkland, 1,223,420; Southeast, 2,581,223; Wapiti, 467,042; Wheatland, we don't know, and those are the numbers that the officials believe would be actual reserves. Now there may be some accumulated sick leave or some portion of that that we don't know about.

But to answer your question, to use the accumulated surplus as a term for reserve would be inaccurate, and we've asked our MLAs to correct that.

Ms. Beck: — And certainly I appreciate that. And also, you know, when we're talking about redirecting people to ask their regional libraries to dip into reserves, and as you noted some of these reserves, or most of them is the indication that I'm getting, is that they are dedicated reserves. They are bequests. They are sometimes in some cases money that's been set aside

incrementally to purchase things like vans, which is just good business practice to replace your vans every now and then before they start breaking down and requiring more in repairs than they're worth.

So I guess the concern is that there are a number of people who have, you know, have worked very hard to, within the library system, to be good stewards of that money, of that public money. And sometimes holding reserves, well it often is good business practice, a good practice when you're running an agency to make sure that you have some money in reserve if you have a system failure or things like that.

So I guess that I bring that up as a frustration that I'm hearing from people, that somehow it's suggested that they're sitting on these big hoards of money and if they would just use them, then everything would be fine. And I guess what I'm wondering is if . . . the extent to which it's believed that that is true, that they are sitting on money that they should be using rather than, you know, cutting services because of these cuts.

Hon. Mr. Morgan: — I think we might disagree, or we might have some disagreement as to how much money is available. It would be our view that to the extent that there are unrestricted reserves or money that's available, they might want to consider that before withdrawing services, or before they . . . You know I would have thought — and I'm not, I don't want to be critical of the libraries in any way — they might have wanted to have asked for a meeting with the ministry. They may have wanted to go back to their municipal partners and said, what should we do? Do we want to do an assessment, whatever?

None of those things have happened yet. We've asked for a meeting with the libraries, and that meeting I understand is scheduled for Wednesday. So the officials within the ministry will be meeting with the regional library people on Wednesday to try and find a path forward. But I don't think we should lose sight of the fact that the other funding partner hasn't been asked or there has not been any great amount of discussion back at a municipal level is my understanding from . . .

Ms. Beck: — That they would go to the municipalities to make up that 3.5 million.

Hon. Mr. Morgan: — They're able . . . I mean, they're able to set a levy. They're able to set a library levy; they do it every year. So they could, if they chose to, choose to set a different library level, and I understand one or two of them are actually considering a different library levy. But it's open to them at this point in time to engage in a conversation with the municipalities and to try and determine what they wish to do. And I would certainly think that those would be healthy discussions to have.

[20:00]

Ms. Beck: — Well as I think we all are aware, that the municipalities are in a very difficult position right now as well. I guess I would ask you this, you know, if we're to see . . . There was some concern about the suspension of the interlibrary service, the characterization, you know . . . If that service were to go by the wayside, is that something that would be due to the \$3.5 million reduction in funding from the province? Or would that would be a failure of the libraries to

ask the municipalities for an increase in the levy?

Hon. Mr. Morgan: — I think, before you take any steps, you would want to consider all of your options really carefully. Now I can't speak for them, and at this point it's immaterial because we've asked for the meeting with the libraries. So we're bringing in all 10 library systems — six municipal, one north, and the seven regional . . . [inaudible interjection] . . . two municipal rather, sorry. So we will bring those parties together to try and have a discussion to see what we can do to identify a path forward.

I think you and I would agree that we would want to do everything we can to maintain and enhance the SILS system. That's something that, as a province, we take pride in, and we think that that's something that we have one of the best in Canada. I would not want to see that lost. The same with the multitype system that's there for online I think, as well as CNET [CommunityNet]. I mean, those are sort of core to the library. And I think it would be a good discussion to have as to how those services can continue to be provided, what other options might be there to move books around.

I understand — and I stand to be corrected — that if you're in one part of the province, you want a book, you can access it from anywhere in the province through the SILS system. But if you're in Palliser somewhere and the book is in Lakeland, you send your requests. So that library sends it to Palliser, that sends it to Wheatland, that sends it out. So it goes through about three. So I don't know whether there's a more effective or more efficient way of doing that. I know there's a Canada Post rate of \$1.25 for a return trip. I'm told that that may not be a convenient or a workable way. So I think those are a discussion to have. I'm not a librarian. I'm not in the library business, but I'd certainly want to see the people that are in the library business sit down and have a discussion with the officials in the ministry, and a discussion with the people in the municipalities as to how best they can continue and maintain and enhance that service.

Ms. Beck: — So just doing some quick math, and I'm not a mathematician, but \$1 per item, I think that there were about 700,000 items that were distributed around the province with the interlibrary system. If you, you know, assuming that it needs to go there and back, that's a significant cost — \$1.4 million, I think, is how that math works out. And then there is someone who still needs to process that, someone who . . . And what we've seen with this budget is there has been a reduction of about 75 per cent of people within headquarters, within the southeast library system. We're hearing from them that they potentially have enough funding to continue until about Labour Day. So it would be very difficult to get those distributed that way.

I guess what I'm expressing on behalf of stakeholders . . . and you would be right in agreeing that I believe that there is value in this system, value in the interlibrary system, value in the promotion of literacy, you know, for a number of things that you talked about in your preamble — the rates of readiness for kindergarten, the supported programming that is present in these libraries. And I think, you know, for \$3.5 million, it's really a heck of a bargain. You know, if we're looking at 1.4 million just to pop all these books into Canada Post, you know,

for the additional \$2 million . . . This is a pretty lean system that has quite a bit of effectiveness. And certainly as we've seen last Friday, I think the numbers were about 5,800 people out expressing that they have a deep attachment and concern for these libraries. When you're meeting with them, is there any potential here for reversal?

Hon. Mr. Morgan: — Like I indicated, what we've asked people to do is look forward to finding other options that are there. Start having some other discussions. We need to look at it in terms of where we are for the next few months and what we might do over the next few months in concert with municipalities and with the libraries themselves for whatever cash they may or may not have available. Those are the types of discussions we would want to have in the short run.

And in the long run, is there a more effective and efficient way of moving books around the province? I've heard the issue raised about not having STC [Saskatchewan Transportation Company]. Well I understand STC wasn't covering all of the places in the province in any event, because routes had been eliminated over the last 20 years. There'd been routes eliminated. So I don't know what those libraries are doing where the routes have already been eliminated, what courier services they're using. So I don't know what other options are there.

So I think what I've asked the officials to do is to have the discussions with the library for medium or longer term solutions about maintaining the efficiency of the systems that are there. And there may be that there is no room for improvement, but I think that is a good starting point to have. And in the longer term, one has to be . . . Is there good options to co-locate? Is there better or other options for the libraries that are there?

I think I'd mentioned in some of the question period answers the drop-off in the number of cardholders, the drop-off in the number of items borrowed. I know that some of the numbers that people are using include visits, and a lot of those are online visits. So it appears that — and not surprising — there's a growing reliance and more and more people are using online resources. Now whether those are . . . all have to be done through libraries or whether other people can do that from home, I don't know. But a physical library I think is something all of us value and enjoy, but is it the most effective way of doing it in times of declining enrolment?

Maybe we . . . And I'm not suggesting what we do, but I know the focus going forward, what we hear the most, what we heard most was we want to make sure that we've got increased bandwidth. We want to make sure that we've got good online services. That's what we certainly heard from our schools was that that was, you know, the technology approach, was that was there. Now I say that not wanting to diminish in any way the need for the benefits that we get from the existing physical libraries in the province.

Ms. Beck: — I think that, you know, much has been made of the declining use of cards. There are a number of services of course within libraries that someone could access without having a library card. You know the programming . . . And I do understand from those that I've been in contact with that that is the case, that there is some decline in the number of card users.

But if you look at use of online electronic books, like through use of Hoopla for example, which is something that some of the libraries have cut their licence now because of the cuts, if you look at attendance at programming within the library's job, ESL [English as a second language] classes, resumé building, mom-and-tot groups, things like that, that that use is actually way up.

So you know, part of this is a definition of, what is it that a modern library does? You know, there is the taking out of electronic media; there are books. But there's also all of those other things that happen within libraries which, you know, if you're looking at systems across the country, would be suggested that that is what a modern library looks like. You have access. You have a meeting place where people can socialize, where young parents can take their children to reading groups for example, something that supports the education sector plan goals, of course, around literacy. It strengthens communities. Perhaps, you know, those things are not as tangible on a spreadsheet, but they certainly do support the well-being of children which, of course, and other people in our communities, which is the goal that we all have here in education.

One of the things that was mentioned around STC — and yes, I'm glad that you mentioned it — that was also something that has been expressed, that the removal of STC really hampers the ability of libraries to provide that interlibrary system.

I just wanted to get back to something. So anyway, you know the definition of what a modern library looks like. Perhaps that would have been a good discussion to have, you know, before the 58 per cent cut in the funding. And certainly that's what I'm hearing from people within the system and . . .

Hon. Mr. Morgan: — I'd indicated that budget decisions aren't usually communicated ahead of time, tax rates and that type of thing. Going forward, we need to look at what libraries should be or what might be going forward. The programming that you mention, I don't think I disagree with you that those are things that are things that we would want to keep, preserve, enhance, some of the literacy things, whatever. And a lot of those services are not provided through the libraries grant. A lot of those are provided through family literacy grants and a variety of other things.

Now they need to have a physical space to have a lot of those programs, so we look to the municipalities. Are you still willing to provide that space? And so I think that's a discussion that we want to have going forward. I think what we needed to talk about is the bigger issue of what the role of the municipalities should be, in providing some of the services that have been provided in the past, and whether there is better or more efficient ways of maintaining those.

Ms. Beck: — And I guess to not put too fine a point on it, but the suggestion that I'm making here and those, you know, the 5,800 people who came out last Friday and certainly the 2,000 emails, that for \$3.5 million this is a pretty efficient system. And not only is that the investment, but it leverages volunteer hours within those libraries. It leverages, you know, those somewhat intangibles, I suppose, but those relationships, those increased literacy skills, places for people to go who don't have

anywhere else to go. All of those things for the bargain price, you know, the restoration of \$3.5 million, I would suggest, is really good investment. And there is, you know, something to be said about priorities and where we choose to invest and not to invest as a province.

One thing I do want to get back to — because I knew I had it here and I couldn't find it initially — when we were talking about the retroactivity of this cut, I'm using a specific example here of one of the regional libraries. The 2016 provincial grant to this library — and I suppose this has probably been shared; this is the Southeast Regional Library — was \$961,000. The 2017 provincial grant has been cut to \$396,000, a difference of \$565,000.

So this particular regional library — but I have heard that this is not an exceptional circumstance, as you might imagine — as of March 31st had already spent on operations \$230,000. As you know, that was about a quarter of their budget, and spent \$40,000 on material, to a total of \$270,000 already to March 31st. So that doesn't leave them a whole lot of budget left, and this is why they're making, you know, very difficult decisions or potentially looking at winding down operations by not much past the summer.

Hon. Mr. Morgan: — But they would've had their budget from the previous year, which was also on the fiscal government year, so it would've went April to April. So the money that they spent during that year was . . . they would've had the money from the previous year because their money came on the government fiscal year. So they can't say, well I didn't have it this . . . now I want to be on the calendar year; next year I want to go back and forth.

We fund on the government year, and if they've, you know . . . That's how they receive the allotment, is on the government year. They can account on a fiscal, on a calendar year if they choose to, but the money comes to them on a 12-month basis. So there's no reduction from the previous year's money. The previous year's money continues April to April. So until April of this year, they will have had their previous year's allotment from the 2016-2017 budget. Now starting this year, they will go into the 2017-2018 budget cycle, which will carry them over into the middle of next year. So there is . . .

[20:15]

Ms. Beck: — Right, but I doubt that they ought to have accounted for a 58 per cent reduction in their funding. I don't think . . . I know none of them were expecting a 58 per cent reduction in their funding. You know, they were all expecting a small amount, I would think, but 58, as you can imagine, has sort of upset, upset the cart.

Hon. Mr. Morgan: — The point I'm making is there is no retroactivity.

Ms. Beck: — Well I understand materially what you're saying, but in terms of how they've budgeted, this in practice has been a 58 per cent decrease year over year, and they were budgeting as if, you know, back to January, they've already spent a quarter of that budget, is what I'm saying.

Hon. Mr. Morgan: — No, no, that's incorrect. They had a 12-month budget from the government, period. That budget went from April to April. No reduction. No change in that. So that continues on exactly as it is. In addition to that, they will have their full funding from the municipality. So our budget was reduced; however the municipal funding was not. So overall, the reduction is in the range of about 25 per cent, or slightly less is what their actual reduction, year over year, that they've received. Now I'm not saying that's an easy thing to manage, but to make the assertion that it is retroactive is incorrect. To make the assertion that it is a 58 per cent in their operating is also incorrect because of their other source of funds.

Ms. Beck: — Fifty-eight per cent reduction in those things that the provincial government funds, I suppose. I'm sure that they will be happy to discuss it further, and I am sincerely glad to hear that you are meeting with them because, as I've noted, there is a lot of concern out there. And a lot of regional libraries looking at winding down their operations, which again, as we've seen, this is a service that people across this province value and do not want to see wound down. And I hope that there is some resolution there.

I know that, you know, since the budget, there was some changes to the labour-sponsored venture capital program, some reversal there. I would request and invite a revisiting of this decision, given its impact and given what we have seen in terms of support around the province.

I know earlier when you were talking, the governance review panel, the six-person panel went around the province and heard from 3,800 people. And that has been indicated as part of the reason for the maintenance of boards, of hearing that from 3,800 people. I would submit that this is, you know, a higher number of people in a shorter period of time who have expressed strong opinion about this.

Hon. Mr. Morgan: — Thank you for the invitation to consider. I think we can agree that people in the province use and value the interlibrary loan system. And we would want to have discussions with the partners at a municipal and a library level to find out whether we have a path going forward to try and maintain it because I think we're all on the same page that we want to see it continued. So I appreciate the comment.

Ms. Beck: — Right. And the supporting people and resources that make that happen would also, I would hope, be part of that.

I'm going to move on and just regroup a little bit here. I'd like to move on to the K to 12 system. I'm looking now at, under vote 5 on page 48 of the estimates. Some small changes in achievement and operational support, but some significant changes here in a couple of ways to school operating. First of all, the accounting for it, there's a line, a footnote here regarding the changes to *The Education Property Tax Act* which will change, as of January 1st if passed, how that education property tax is collected and how it's realized.

And I just wonder if you could walk me and those viewing the proceedings this evening about that line item, the school operating item there that is, it's noted to be increasing this year to 1.3 billion, up from 1.2 last year. But there is that footnote.

Hon. Mr. Morgan: — The divisions have always been — I'm not using the word troubled — but have always, have asked us in the past if we would take over collection of the education property tax. The way it has worked in the past is an assessment or levy is done. The municipalities collect the money on behalf of the school division and turn it over. When we calculate the grant, we deduct the amount of money that they've received from the municipalities. It's always subject to adjustments later on in the year for arrears, reassessments, and a variety of things.

We've always wanted to say the amount of money the divisions received should be the amount of money that's calculated in the formula, and that school divisions shouldn't have been subject to the vagaries or the fluctuations in the EPT [education property tax] for changes in the size of the assessment base or whatever, nor should they be . . . It's not part of their core function to have to worry about collection.

So the request came from them to collect it on their behalf. They said, quite rightly, we don't set a mill rate anymore, haven't since 2012. You give us an adjustment, dollar for dollar, for every dollar that we receive or don't receive. Collect it. So we said we would. And it took us about almost two years to go through the process to get the legislation in place for that because I think it required amendments to, if I am correct, 17 pieces of legislation.

So the net effect to the divisions by having the province collect it, should be nil on an amount-collected basis. The savings to the division will be, they no longer have to account for or maintain a collection, or participate in tax appeals or consents to disposition of low-value property or whatever takes place. That no longer would be an issue for the school divisions. Does that answer the question?

Ms. Beck: — It does. It does. I guess someone reading the estimates year over year, that wouldn't be readily apparent. But I do understand and I do remember and recognize that that was a request by boards, the collection.

There was also a second part to that request was around just how those funds would be accounted for and how that would, how those numbers, the amount collected in local education property taxes, how it would be accounted for, and how that number would be reported out. And I was just wondering if there was any clarification around that.

Hon. Mr. Morgan: — The amount of the money that the school divisions receive is a combination of the two amounts: the EPT portion and the grant which brings it to the total of the amount stated in the grant. So an up or down amount on the EPT portion doesn't affect the total size of the grant. The grant always brings it up to whatever the amount is in the formula. So theoretically there should be no change. There's the two amounts. So the amount of money received by EPT would show on the financial statement of the division as EPT. Then there would be the provincial grant which would add up to the total revenue, which would be the amount that would be calculated according to the very lengthy Perrins formula.

Ms. Beck: — I can't say I've got that all worked out yet, but okay. So it will be accounted for, the amount that is transferred into the General Revenue Fund, and that there will be some

reporting out of that amount.

Hon. Mr. Morgan: — Yes, I've got ADM [assistant deputy minister] Donna Johnson who maybe can provide some better technical clarity than I can.

Ms. Johnson: — So for your question, I believe that you were looking at page 48 of the estimates and seeing the increase year over year there in the school operating line. And as the footnote mentions, it does include the EPT amount for the January to March time frame, so January 2018 when the EPT will begin to be collected by the government rather than by the municipalities.

When we look forward to 2018-19, this amount will go up again because it will now include a full 12-months worth of EPT. So at that rate, just using the school division allocation this year, it would be in the neighbourhood of \$1.8 billion when we look towards 2018-19. So I think that that addresses your question, but maybe you could . . . if not, let me know.

Ms. Beck: — No, I do appreciate that clarification, but the direct . . . The concern, I guess, over the clarification that was asked, that's been raised with me, is if there will be an accounting of how much education property tax is collected by each municipality and remitted.

Ms. Johnson: — So currently, of course, the school divisions because they are receiving the funds directly from the municipalities, because they receive it that way, they do or they are able, in their financial reports and their reports to their ratepayers, they are able to say how much of their grant revenue is coming from the government through the GRF [General Revenue Fund] and how much is coming through the property tax.

Come January, when all of the money is paid to the government, to my knowledge right now, there is no mechanism that would be set up that would allow the government to report back to the school divisions as to how much was collected by each of the municipalities and then therefore how much of that belongs to each of the school divisions with their current boundaries.

Ms. Beck: — Thank you for that.

Ms. Johnson: — Having said that though, I would just add that we'll always be able to identify how much EPT is being collected each year. That total amount will always be available, so folks will always be able to see of the amount in this vote and in this subvote in future. They'll be able to discern how much of that is coming from EPT in total. So whether it's 680 or thereabouts as it was in '16-17, or whether it's more or what have you, they'll be able to see the difference between the figures.

Ms. Beck: — And I certainly recognize there's a bit of a transition this year with that change only coming into effect in January. And there is some difficulty in year-over-year comparisons in these estimates. I think one of the . . . There are a number of pieces to piece together here. But one of the things that is indicated in the budget documents is that this year we'll see — correct me if I'm wrong — a \$67 million increase in

collected education property tax.

Ms. Johnson: — Yes, that's right.

Ms. Beck: — Okay. And it was indicated in some of the documents on budget day that this budget also represents a \$22 million reduction in the fiscal year, the government's fiscal year in grants to school divisions, in operating grants to school divisions.

[20:30]

Ms. Johnson: — That's also correct, yes.

Ms. Beck: — And then again, piecing it all together, the school year impact is about \$54 million. Is that correct?

Ms. Johnson: — Yes, it is correct.

Ms. Beck: — Okay, so it's a \$54 million reduction and an increase in \$67 million in collected education property tax. And that certainly has been a concern that I've heard raised.

And then, you know, we get to the impacts to each of the school divisions so that there's a reduction there. Does that account for some of the fixed-cost drivers that school divisions would be experiencing? I think of a few things: increases in power rates, some of the fixed costs, the contractual costs. PST [provincial sales tax] I think is going to be something fairly significant for school boards. Twenty-one new schools, anticipated increase in students. I haven't found it, but it would be about 2,000 students next year that we would be expecting as an increase? 2,000. Is there a dollar figure attached to all of those increases within education?

Hon. Mr. Morgan: — The items you list are the items that make up the operating grant, so those items are calculated; the formula is applied and adjusted accordingly. So you'd raised the issue of the increase in the amount of property tax collected. We don't set our budget based on the amount of money we collect on property tax. That's deducted from the amount of money . . . The amount of money that is paid to the divisions in operating is the amount of money that's calculated by the formula. And this year we reduced some of the items in the formula, and for the first year since we've been in government, actually had a reduction.

Ms. Beck: — So then what I'm hearing you say is that all of those items that I listed, those are fully accounted for, so there's no cost on top of that \$54 million reduction, that boards might actually be short more than that \$54 million by the time they pay all of those other items out.

Hon. Mr. Morgan: — No, I wouldn't agree with that at all. The formula in and of itself lists the staffing costs, the number of square feet in a school, the dispersion factor, the distance that students have to travel, the special-needs costs, the supports for learning, and those are all . . . and including the number of . . . [inaudible] . . . are all shown in the formula. I don't think I would agree with you to say, oh we funded this, but we didn't fund that. What we do is we applied the formula and that was the amount of money that was there. So to say we funded one or not the other, this is the level we funded at.

Ms. Beck: — Okay, I guess then I'll ask the question a different way. What would be the total number that boards — all 28 boards — would be looking for in terms of reductions when their operating grant is applied against their fixed expenses?

Hon. Mr. Morgan: — We can tell you what the reduction was from the previous year, which was in the fiscal year, 21 million . . .

Ms. Johnson: — 22.

Hon. Mr. Morgan: — Twenty-two million, and then you'd indicated you had, I believe what was a correct amount on the school year.

Ms. Beck: — Okay. So we have been hearing from boards — I know I have; I know you have, and I know we've heard that through the media — that this obviously is a fairly significant impact on boards, all boards across the province. And at a time when a number of boards would be looking at increased . . . opening, as you'd mentioned, 21 new schools in the province and staffing those and, you know, furnishing them and all of those things. There have been some indications early from boards where they intend to seek those savings or those, you know, where those cuts are going to be impacted. What is the direction for boards in terms of what they can and what they can't cut?

Hon. Mr. Morgan: — Yes. The reduction is on average 2.9 per cent. We've included funding for fit-up and completion and operation of the new schools as if they'd been there for a longer period of time because the initial, I think, millwork and everything else is supplied right from the outset. So we've included, I think it's around \$10 million for additional operation of the joint-use schools. Is that . . .

Ms. Johnson: — Not specifically.

Hon. Mr. Morgan: — Okay. In any event, we've included operating costs for the new schools.

So your question is, what are boards doing to try and find savings? We can give you some examples. We've encouraged them to — and I'm not trying to be flip — start with a blank sheet of paper, sit down, brainstorm. Brainstorm with the division next to you, and try and find better or more effective ways to do it. So some of the things that we've encouraged them to do and are actually working with them now, is joint procurement, joint IT, common bookkeeping methods, some of those type of operational things.

We've also seen some things that the divisions have done by way of redeploying administrative resources into the classroom. Chinook — which was the division that was most adversely affected by the funding formula change, had a reduction of, I believe in excess of \$6 million — took 25 administrative positions and put those positions into the classroom. Now I know there was some up, some down, but they took a reduction of 25 administrators and put these people back into the classroom. So those are the type of things the divisions are doing and I know the divisions are taking amongst themselves as to how best they can do that.

We have them as well working with the ministry officials, and I'm not a school manager so I leave it to people that make it a career. They're looking at what a grid might look like for a size of a particular school division: how many administrators, how many superintendents and those types of admin people, what is an appropriate number, what those officials should be paid. And I understand that there's good uptake from the divisions in wanting to work to try and develop that. So we're looking to the divisions and the ministry to try and identify some of those things.

Ms. Beck: — So you mentioned specifically Chinook and you mentioned the 25 administrators who would be moving into the classroom. What would be some of the roles that those administrators would be currently undertaking that now they are shifting into the front line? Is this something that is sustainable or is it, you know, a stop-gap measure so that they can have teachers in front of students?

Hon. Mr. Morgan: — We don't have the gentleman from Chinook available tonight but I know some of them would have been teaching, coaches, and a variety of other things. I'm not saying that the 25 weren't doing anything productive before, but I am confident that the 25, if they're working in a classroom, are doing good work.

Ms. Beck: — My understanding that what they've found — and I stand to be corrected on this — is about \$3 million in savings and there's still more to come. Is that correct?

Hon. Mr. Morgan: — They're still doing some work. We've indicated to that division that they've got a significant number of reserves. So we've had the discussion with them about using some reserves for transition funding.

Ms. Beck: — Okay, so I guess I'm going to express some difficulty keeping up with some of these changes. At one point there was some direction given to boards that they were not to use their reserves. Certainly, explicitly not for operating, and then some signals that perhaps they shouldn't use them for capital. So now I'm hearing you signal that boards are to use their reserves for operating?

Hon. Mr. Morgan: — The problem with summary financial statements is that a board that uses reserves, it comes off the province's expenditure line. So we've never said, no don't; you're forbidden to use reserves. What we have said is, if you use reserves, please talk to us. We've got to work with you on this because we need to identify the impact of what that is on the province's deficit or surplus, as the case may be.

So we've told them that if they have capital items that they wish to acquire — relocatables, additions to a school — that's an easier thing to deal with because a capital item, say a relocatable for, say, \$400,000, whether it's \$400 in cash reserves or \$400,000 in a relocatable, it has no impact on the province's operating. So it's moved from one line on an asset side of the balance sheet to another line, so it has no impact. But should they use those funds for operating, then it comes off. So we've said we want to know about it, work with them, and that really hasn't changed. I don't know if that helps at all.

Ms. Beck: — Well I suppose it does help but would just

express, I suppose, the difficulty of budgeting for school divisions when there is some lack of clarity there in terms of what they are and they're not allowed to use or what they are and they're not allowed to cut for example.

I guess a couple of points on that . . . So one of the things that had been a recent happening was an indication of Regina Public to cut a number of not provincially funded, specialized pre-K [pre-kindergarten] programs. And there had been some indication subsequent to that that their budget wouldn't be approved were they to make that choice.

So I'm just wondering in terms of clarifying what the parameters are, what are the items that boards are allowed to touch, decisions that they're allowed to make, and which are they not allowed to make when they're looking at making up these cuts?

Hon. Mr. Morgan: — The programs that Regina Public had, and a number of other school divisions had, where early childhood is often provided by a CBO rather than directly through the division, were never part of the funding that was provided for by the province. They were always ones that the divisions had chosen to do on their own. And the divisions are actually to be commended for having done that because those are exactly the type of programs that are helping the province meet its needs.

So Regina Public indicated to us that those were something that were not funded by the province. They had issues or concerns about whether they could afford to continue them. And we've said no. We're not going to approve that kind of a budget. We want to sit down with you and we want to work through some other options. And we want to make a commitment that those programs will continue.

Ms. Beck: — So will it be then . . . And I'm not trying to be flippant. I'm trying to gain some clarity here. There are \$54 million, at least, worth of cuts that are going to be coming through division budgets, and there will be a number of programs and places that they will cut some . . . What is the direction to the boards when they're budgeting in terms of what they can, where they can and where they can't look for savings? Because I'm hearing that that is causing some difficulty in the budgeting process for these school divisions.

Hon. Mr. Morgan: — We'll continue to work with the divisions to try and identify the things that are important to the province and the things that are important to the school divisions and identify every funding option that's available for them.

[20:45]

I appreciate and I thank you for the question. I didn't take it in any way other than what you meant it. This is no doubt a challenging budget for the school divisions, as it is for the province. We want to make sure that the decisions that are made are made carefully, and sometimes we don't have real clarity right now. But we know that we have some options to try and work through those things. So we want to have those discussions with the divisions going forward. We think we have some . . . [inaudible] . . . we can maintain those programs.

Ms. Beck: — So I mean this isn't anything new in terms of expressing the difficulty. And of course this isn't the first year that we've seen a reduction or . . .

Hon. Mr. Morgan: — It is.

Ms. Beck: — For some school boards . . .

Hon. Mr. Morgan: — You know, we can get into that debate if you like. But it's, you know, each and every other year, every single school division in the province has received more money than they did the year before. So you know, I'm not prepared to sort of let that one go out and just sort of let it lie there. So anyway, I'm sorry, I don't mean to take you off track.

Ms. Beck: — Right. I'm just weighing whether I want to further that discussion right now, or perhaps I'll leave it for a bit later. But I guess what I'm . . . One of the things that has been expressed is some concern, some lack of clarity around which decisions are at the board table right now and which are going to be made within the ministry. And certainly, looking forward to at least one of the bills attached to this budget, that becomes a whole lot less clear.

You mentioned grids for administration in terms of the number of administrators or certain positions, salary grids, those things, which now are decisions that are made by locally elected school boards. To what extent in this budget are the decisions that are in front of boards their own to make and which of those will be directed by the ministry?

Hon. Mr. Morgan: — I want to sort of clarify something because people watch this. When we talk about reducing the number of administrators, in our calculations, and I'm sure when you were on the board, administrators do not include principals or vice principals. These are people that would be superintendents, people that would be working in the head office. These aren't folks teaching in the classroom.

We don't have an appetite to go in and run a school division, but what we want to make sure that school divisions do is roll up their sleeves and look for the efficiencies that they can have by doing things together and saying, okay, are we doing the right things here, are we doing the wrong things here. I hope that they make those decisions talking amongst themselves and that they come back, they talk to the people within the ministry, but I can't tell you whether you need a 36-passenger bus or a 42-passenger bus. Those are things that I don't think that we want to talk about.

But what we might want to talk about is how far should kids have to walk to school; what's an appropriate division. Why are we letting school divisions compete with each other based on who can get the best program for how close they want to be to busing the kids to school? So I think there was a suggestion that came out of both the Regina school divisions. They were going to have a common distance for how far it would be before busing was available. So I'm glad that those are the type of things that's taking place.

Right now I think the directors are working really hard to try and standardize those things. And I don't think, sitting in this building . . . I'm not prepared to have those discussions. We've

got people that have spent a lifetime doing it to sit down and work with those people, try and identify what the efficiencies and what the economies are. The first year or two it might be more challenging than it will be two or three years out when there are some different guidelines in place.

Ms. Beck: — What I'm hearing is you saying that, you know, those are decisions that you want left to school boards, but if they make the wrong decision then perhaps their budget won't be approved. One of the things that . . . When you were saying that, I was thinking of some of the best advice I ever received in terms of a policy governance board was that if it wasn't your decision to make, it shouldn't be at your table. And I think that's one of the things that boards are struggling with here. They're not really sure what is theirs to decide and what isn't.

One of the points that I wanted to make, you had mentioned some of the points for efficiencies. You talked about shared IT and shared busing. We are pretty late in the game in terms of where boards are at when they want to actually have their budgets finalized. And these certainly, I wouldn't think, are off-the-side-of-your-desk projects. They would need some staff in order to make that happen, some time, some prep, some resources even, to make that happen. So if those efficiencies are there, and you have heard and I have heard, you know, a willingness amongst boards to look for those efficiencies, is it reasonable to look for those efficiencies in such a short, such a huge number of dollars in such a short amount of time?

Hon. Mr. Morgan: — Some of the things that we've talked about have been worked on for the last four years within the sector plan. We've broken it down into, I think there's four tables, is that . . . And I think I'm going to let the officials talk about the process that's in place.

We've given the divisions a really tight timeline to come up with some of the stuff because some of the stuff should have happened two or three years ago. And I'm not being critical but . . . So I don't participate in that process. Those are done at, between the ministry and between the school divisions. And I understand that that work is under way and hopefully they're able to do something where the savings are there. We haven't built in from this year's budget the savings that we hope to find, but we want those things in place so that it minimizes the effect of what our changes are to this budget. But I'll let the officials speak to it.

Ms. Johnson: — Yes. So as Minister Morgan mentioned, the sector plan has been looking at efficiencies across the province with the 28 school divisions for four years now. And there's been some progress there for sure but not as much that includes all 28 school divisions as we would have liked to see. What we have going forward is the establishment of a team that will be working with ministry officials and school division officials to really ramp-up the activity that we've got here.

So in terms of the governance work, we have a governance review renewal project that we discussed with the school divisions shortly after budget day. And as we undertake that work, we're establishing four teams. One of the teams will be addressing the education regulations coming out of Bill 63. Another team is going to be focusing primarily on efficiencies that can come by way of education sector purchasing and

services and looking for those opportunities — again province-wide. The third team is looking at organizational design and staffing. And then the fourth team is looking at structural governance and changes.

So on the organizational design and staffing, I mean that's one of the teams that I think Minister Morgan's made a few references to already in that it will be a group of people that takes a look at the 28 different variations that we have for school division out-of-scope staff compensation, governance remuneration, and travel rates, as well as the number of staff that are working out of head office versus those that are school based.

So a number of different activities that each of these teams will be engaging in. And some of them, we're expecting will bear fruit rather quickly, and others of course will continue their work on for many months and certainly more than a year.

The Acting Chair (Mr. Nerlien): — Ms. Beck, I think we'll take a short recess after your next question.

Ms. Beck: — Okay. So one of the points that I did want to get back to, and I'm just going to pull up the ed sector plan here, was around efficiencies. And there were some efficiencies around the savings that would be expected out of the sector by 2020. And I think we're all aware that the assertion from boards that they were asked to find \$5 million in efficiencies and actually have found in the ballpark of 15 to \$20 million in efficiency. So I'm wondering, is there a new target for how much we're asking them to find in terms of efficiencies within the system?

Hon. Mr. Morgan: — While that answer is coming forward, I want to clarify something I said before. I had said that each and every year, there was an increase in the amount of funding. Overall there has been, however, I'm corrected by my officials who said that some divisions where there had been an enrolment decline would have actually seen a modest reduction in the previous year. But the funding lines would have went up and the overall funding went up. So I stand corrected.

Ms. Beck: — And I guess the assertion likely would have been from boards that, yes, that that was true, except that in terms of fixed costs that there was actually a deficit there in terms of covering all of the costs, be it the cost of the teachers' contract or power bills or increase in enrolment and those type of expenses, that really there isn't a lot of leverage.

Hon. Mr. Morgan: — I was in a school division during a time of declining enrolment. Students do not disappear in unique 21 or 22 student parcels. It's two or three here, and your funding goes down as a result of that. And it has to be managed, but that is part of school administration.

Ms. Johnson: — With respect to the question that you had asked about efficiencies, so yes, you're correct that the initial savings target that was established by the PLT [provincial leadership team] was \$5 million and that was to be achieved by August 2017. Now as one of the fellow members of PLT, I can let you know that when we first set that \$5 million target, we knew that we were being quite modest in setting it. But it was set low for the sake of developing a bit of comfort around the

room with initially even establishing a target and then doing the work necessary to achieve it. So as expected, we did or the school divisions, I should say, did achieve savings of about \$19 million by August of 2017 and because the savings target that's set through the sector plan is an accumulated savings target, so . . . And given that the PLT's achieved \$19 million already, the new savings target established by the sector plan and by the PLT has been set for 60 million, six, zero, to be reached by August 2019. And again with that, we know that given our current results, achieving the \$60 million by 2019 will not be much of a stretch at all.

The Acting Chair (Mr. Nerlien): — Thank you. We'll take a brief five-minute recess, and on return Mr. D'Autremont will assume the Chair.

[21:00]

[The committee recessed for a period of time.]

The Chair: — Well thank you. Back from the recess. I have now assumed the Chair and, Ms. Beck, if you are ready, you may proceed again.

Hon. Mr. Morgan: — Mr. Chair, I want to thank Mr. Nerlien for his good work. My officials told me that he was the best Chair that this committee had ever had, and I told them, Mr. Chair, that I was sticking up for you.

The Chair: — We all know that. Ms. Beck.

Ms. Beck: — Thank you. Thank you, Mr. Chair. So I'm going to stay on K to 12 education here on page 48, and I think we've talked about school operating. Maybe a little bit under K to 12 initiatives, and I'm just looking at Public Accounts from last year itemizing — I think these are the most recent public accounts — the K to 12 initiatives, and just wondering about some of the breakout here. We're looking at a slight increase over last year in terms of the estimates in this budget. Were there any significant increases or decreases in funding in any of the K to 12 initiatives this year?

Ms. Johnson: — To answer your question, there would have been some relatively minor changes, I think. As you can see when you're looking at the estimates there, the year-over-year difference is 43,000, so just a 0.1 per cent difference. But that's made up of a number of different elements, so the first significant item is actually an increase of a little more . . . well of \$364,000 related to CommunityNet.

There's also about a \$100,000 decrease to historical high schools, a \$97,000 decrease to qualified independent schools. And those decreases are reflective of the overall decrease that we have in the operating grants for school divisions because, as I believe that you'll recall, our funding to historical high schools and qualified independent schools is based on the per-student average at the provincial level. And so when we have a \$22 million decrease in the operating grant for all K to 12 schools, that will translate into a small decrease in the per-student amount and therefore a decrease for funding to historical high schools and qualified independent schools.

Ms. Beck: — I note in the Public Accounts here, so that's the

SaskTel amount that is the CommunityNet amount. It was \$13 million, 13.6, and you indicated that there's been an increase in that funding this year.

Ms. Johnson: — CommunityNet, yes.

Ms. Beck: — Just walk me through CommunityNet and just the services that that provides. I know it was mentioned earlier when we were talking about the regional library system, the provincial library system as well.

Hon. Mr. Morgan: — We're going to be joined now by ADM Clint Repski, who will give us a very brief, concise answer.

Mr. Repski: — The increase to the community grant was basically to cover off the 18 new schools that are starting up. We had an increase in budget to cover off their bandwidth.

Ms. Beck: — Just to refresh the services provided, this is the system that is used by libraries and some other agencies for schools' K to 12 system, that provides service, some Internet access, access to catalogues, or is it just the . . . I know I'm letting my knowledge of all things IT show here, but what exactly does that cover?

Mr. Repski: — So just to clarify that in the K, 12 line, that CNET budget is just for K, 12. The libraries CNET is under the library funding. So in terms of the support that is covered under library, it is the Internet access piece; it's the bandwidth. That's the bulk of what we pay for through the CNET access.

Ms. Beck: — It's the bandwidth. And one of the things that the minister's heard me talk about, in the period between January and the start of session, I had the opportunity to go around to a number of places around the province and talk with different school boards and community members about the schools. And one of the things that was brought up was some concerns around bandwidth and access to that system, and perhaps that it isn't accessible in a way that some folks in schools would like to see it. What can we expect with this investment? Will this bring us up to where other provinces are at, for example?

Hon. Mr. Morgan: — We've upgraded 307 of the schools so they're on a higher bandwidth. So the upgrades are ongoing and will depend on what we're willing to pay to SaskTel to provide our ongoing services. Last year we knew that we weren't where we needed to be, so we made an arrangement with SaskTel to bring up a number of the divisions. Actually in a way it's a good problem to have, that the appetite for bandwidth is good, because it shows that people are using it.

Tel is working with the schools to try and make effective, efficient use of the bandwidth. They're reconfiguring routers and they're changing from a LANspan technique to a LANspan IP [Internet protocol] which dedicates a portion of the bandwidth, so they can use voice-over-IP telephones reliably. So I'm really pleased that SaskTel has sort of rolled up their sleeves, pitched in, and partnered with the school divisions to try and get them where they need to be.

[21:15]

So the things that will depend on it will be sort of the nature of

the technology that schools were using, how much of a conversion factor there is, because some of them were already using that. And then some schools just don't use very much Internet at all. You walk into some of the new schools and you see the carts of tablets charging, and then sometimes you go into another school and there is virtually nothing. So I think it depends a lot on the teachers and the administration in the school.

I went to a school, an out-of-town school, and I asked about Internet, and it was a non-issue. And it was one that had not received in a . . . but that you virtually saw nobody using technology. And I asked, and they just said, well we're using what we want or what we need. So not for me to second-guess what educators are doing or using, but you walk into Willowgrove in Saskatoon and there's, you know, they actually have insets in the hallway where they plug in the carts overnight to recharge all of the devices. Anyway I'm glad to see that it's being used and I think it's a great learning tool.

Ms. Beck: — And certainly one of the things, you know, we talked about very informally, I was moving around the province and talking about, you know, what does transformational change look like? You know, how do we imagine the school system, as much as you get to as opposition critic. What does that look like over the next several years and how do we provide access to students around the province and ensure that they have what they need in order to meet the challenges of, you know, the later parts of this century as they move into their careers, and we meet our challenges as an economy ensuring that we have people with the right skills that they need? Certainly technology was something that came up, and certainly has in our discussion about libraries, about the need for investment and recognition that this is how a lot of learning takes place, and access to information takes place.

So I would just highlight that and bookmark that and say, I mean, obviously there's an investment here. Are there any plans going forward?

Hon. Mr. Morgan: — The point you make is valid. You might be hearing things from different sources than we are, and if you do I would invite you to let us know so we can look at it. I was door knocking in a by-election recently — I think we both were — and wanted to talk about the by-election, but I ran into a principal of one of our schools while I was door knocking, and she raised the concern about bandwidth problems in that school. So I was able to go back and it was one that we weren't aware of and hadn't done anything with.

So if you do become aware of one . . . We think we've communicated relatively well. And what Tel has been doing is, they go into the division. They don't just say, oh well we've had a request. They go in and they monitor what the usage is and what are peak times and things that are more technologically advanced than I am, and identify whether they can change things within or whether they've got to increase the bandwidth to it. So they've been, to their credit, remarkably effective here. But if you do happen across one in your travels, let us know and we will pass it on. But I think we're rapidly getting to a point where we want to be.

Ms. Beck: — One of the questions I hadn't written down to

ask, but now that we're on the subject . . . There was a bit of a pilot project I guess, school division providing distance education in the province. And that had been piloted as having some promise in terms of delivery of those distance programs. Is there anything in this budget that materially changes that or supports that type of learning?

Hon. Mr. Morgan: — Are you referring to the distance learning centre in Kenaston?

Ms. Beck: — That's the one.

Hon. Mr. Morgan: — Yes. What we're . . . I'm going to let one of the officials speak to it that knows a little bit more about it than I do. The DLC [distance learning centre] was actually done by Sun West School Division and was largely done with their own resources or with self-generated resources from selling their programs to people who were outside of the school division. It's been remarkably successful.

I don't know if you've gone on a tour of the facility there or not. Anyway, they do great work. And what we've indicated to other school divisions, if they want to access programming from there, that's where they should go to rather than creating their own. We don't need to have four or five or six divisions going off creating their own. So that was one of the areas where we might exercise a greater degree of control, is if people want to access the distance learning, that we have one facility that's doing it. I don't know whether I have an official that can provide any more information as to . . .

Ms. MacRae: — Actually the Sun West School Division is one of several in the province that are offering some of their programs through distance delivery.

In terms of your question about whether this budget does anything specifically with respect to distance learning, that operation's always operated or been funded as part of the subset of the Sun West School Division's operating budget. So have we done anything specific or additional? No, but we have encouraged them to keep up the good work that they are doing.

And we are in the beginning stages of pulling not just Sun West's or the Kenaston folks together with some of the other distance delivery folks or other divisions that are in that business, and looking at whether or not some kind of a provincial strategy or some kind of at least shared strategy between and among those who are doing that kind of work can be used to benefit more of our kids across the province, particularly in the North and in the rural areas.

Ms. Beck: — Thank you. I'm just cognizant of the time here and I have a few more places I'd like to go.

One of the things that I wanted to spend some time on was looking at the strategic plan. And there was some mention I believe, Minister Morgan, at the beginning, in your comments around reading and some of the increases that have been realized in terms of grade level reading rates in the province, I think you mentioned a 9 per cent increase for all learners in that area and some development of the next piece which are writing outcomes specifically. You mentioned that there was some development. Was there any plan to roll out PD [professional

development], or what other supports will there be for that objective under the ed sector plan? I can speak both to writing and math. I think you referred to both of them.

Ms. Johnson: — I'll start to answer your question, and then I'm sure Julie will add to it. You asked the question specifically about professional development. In the school sector, as you know, all of the school divisions determine professional development options with and for their teachers. Through the sector plan, we do have five outcomes. The reading improvement strategy is part of our reading, writing, and math outcome. And as the reading improvement strategy rolled out, there were PD sessions that were offered across the province.

When we look at what's arguably one of our most important outcomes in the sector plan, that being the outcome related to First Nation and Métis student achievement through the Following Their Voices work that's happening with the priority in that outcome, there is a group that's looking at putting together professional development specifically for school administrators, or principals as non-educators like me think of them. And that proposal is one that the PLT is actually going to be looking at this week I believe, so that PD hopefully will be available for the in-school administrators here in the coming year.

With respect to our graduation rate outcome, in the last six months or so we had a graduation rate symposium that I think would constitute a level of professional development in that it brought together people from all of the school divisions to talk about the different things that each of them are doing that they found success with in improving graduation rates within their high schools. But to that end, perhaps Julie can add a bit more here because I know that Julie had the opportunity to be at that symposium.

Ms. MacRae: — I did indeed have the pleasure of attending the grad symposium at the end of September. It was hosted in the Prairie South School Division. Again under the auspices of the ed sector strategic plan, there are a number of working groups but also a province-wide focus on trying to improve our on-time graduation rates as well as our five-year graduation rates, and we've had some success.

The approach that's being taken with respect to looking at improving the graduation rate is to ensure that we are identifying those things that make the 75 per cent or so of our students who are graduating successful, finding out what it is that's working, and then hoping to have that spread across the sector and into school divisions where less success is being experienced.

The sector's also doing a lot of work in terms of looking at the things that contribute to graduation success, things like attendance patterns, things like engagement rates, the sense that students are actually connected to their school, attending and engaged with the curriculum. And then I think perhaps one of the best questions that is being asked with respect to the work on graduation rates is whether or not we are in fact asking the right questions as a sector, or whether there are others that we should be in fact asking with respect to the grad rate.

The stats around our grad rates for the 2015-16 year, the

provincial on-time graduation rate, is 75.6 per cent; and the extended-time grad rate is 83.3 per cent. Those results are slightly higher than the previous years of 75.2 and 82.5 per cent respectively. The current five-year average is 74.8 per cent for on-time grad rates and 81.7 per cent for extended-time graduation rates.

The other area where we are seeing significant success is with respect to our First Nations and Métis learners where our on-time graduation rate is just under 42 per cent, the extended-time rate at 59.6. That's as high as it's ever been in our province. And as you might expect, those two are increasing, although not necessarily at the rate that we would ideally like to see. The current five-year average for our First Nations and Métis learners is 39.1 per cent for on-time graduation and 53.9 per cent for those who take the additional two years to complete.

[21:30]

Ms. Beck: — And I guess a broader comment . . . And thank you for that, to both of you, for those updates. I think I would be remiss if I didn't bring this forward, and that is a concern that I'm hearing throughout the sector. And that is, you know, from the level of parents to teachers to boards to support staff, at their ability to continue to find progress towards these goals in a context of diminishing resources and increasing intensity within classrooms. And I certainly, you know, can appreciate that there are difficult financial times and there are cuts here.

But it's not just even the cuts in the classroom that are impacting, and this is what I would put forward, you know, as supports pull out in other places in the community where this is increasing the needs in our classroom. And it's not just one board. It's not just one group. I'm hearing this around the province about real concerns. And I don't say this by way of blame. I say this by way of raising these concerns about the ability to continue to make any progress towards these goals in this current context. I know when there were some gains, and significant gains made around literacy, specifically reading, there were some resources that were put into that, some attention and also some monetary resources, PD for example. And I'm just wondering if that same level of resource will be able to be supporting the goals of writing and numeracy in this current context.

Ms. MacRae: — It will admittedly be somewhat challenging. We have not yet had our discussions at the PLT table about the support that will be available or the budget with respect to the priorities that we've alluded to earlier.

You are quite right in that the investment in the Sask Reads project did yield some very promising results. I think, while there's a case to be made that those things are due to investment of money, they're also at least in part due to having a shared focus and working collaboratively together and sharing best practices. That will continue regardless of the level of funding that we have. And then of course there is the, you know, the generic notion that all of the funding that we provide to the sector is in fact intended to support schools and school divisions in making sure that their students can read, write, and do math at grade level, and eventually come out at the end of a 13-year process equipped to take their place as citizens.

So we haven't been in a position this year to invest as much as we had in a previous year, but I have no reason to believe that the commitment of the sector has lessened in any way, and that the work that we're doing as a provincial leadership team will have anything other than the same kind of results on those other areas. It may take a little longer but certainly the commitment from both the PLT and the commitment that we heard from the school boards themselves as part of the governance review process, to continuing to work together on the ed sector strategic plan and its targets, certainly very reassuring that that work continues to be job one even if the resourcing level is not quite as strong as we would like it to be.

Hon. Mr. Morgan: — The goals that are in the sector plan remain. The points that you make, we certainly take those and don't want to be dismissive of them, but the goals exist. And when we talk to our leaders within the school divisions, they know that the goals are there, and the indications from them are that they're confident we will continue to make progress. So we'll work with them and watch, but I appreciate the point you're making.

Ms. Beck: — And I certainly don't question anyone's intention or commitment to those goals. What I'm suggesting I suppose is that, given the current context, there's a lot of attention right now within divisions, certainly at the board and senior administration level, to look for efficiencies to budget, really budget focused right now at a time when we know that, you know, staffing and all of those other things are going on.

There's also significant concern at the level of front-line staff in terms of the security of their jobs, I suppose, to put it very plainly. And then they also understand that they are potentially looking at more intensity in the classroom, perhaps higher numbers of students in the classroom, perhaps fewer supports in terms of, you know, be it SLPs [speech-language pathologist] or OTs [occupational therapist] or any of those supports, and then also a mandated reduction of the 3.5 per cent to compensation packages. I'm not sure of the impact on PD. All of these things.

And I know that I'm not saying anything that we don't know, and I've raised it before, but I do think it warrants being raised again, that this is causing a significant amount of concern in the sector, expressions of, you know, ability to maintain focus on these goals and really, you know, weakening of morale, frankly, in the sector. And that has tangible impacts in terms of learning in the classroom.

Hon. Mr. Morgan: — The first commitment has to be and must always be, for all of us, is to the student in the classroom, that we've got to focus. And you know, we implemented student-first. We have made a . . . [inaudible] . . . all towards targeting the resources that we have towards the student, and using those resources in the most effective way and using best practices. And I think the leadership within the divisions are focused on that, and we're seeing results each year improving. We'll want to watch that and continue that. We knew that we had a significant bottleneck in lack of space, that we had . . . I talked to teachers in Saskatoon that were early years teachers that had extraordinarily large classrooms because there just was not space. The schools had a large number of relocatables and there was just not enough space for them to do it. So it wasn't a matter of lack of supports. It was a matter of lack of space.

So this year we will have the nine joint-use schools coming on stream. We will have got some additional relocatables. But our expectation is that this fall we will be in a position where our utilization factors will be better than they've ever been as far as being low. And we should be able to say, okay, when we want to do something we won't be constrained by lack of space. We'll have the physical space and it should be good, new physical space with all of the learning aids.

When we went through the process to fit up and complete the new schools, we had no take-aways whatsoever. The things that were asked for were put in by the divisions when we started at day one. There's been no change to any of those things as the schools have been completed. So our expectation is, come September 1st, we'll have space available for all of those schools to operate at capacity, or in some cases beyond capacity, because some of them are opening with a number of relocatables from the outset, but they were all built to have stacking relocatables.

I know that at least two of the ones in Saskatoon . . . Stonebridge will have a number of relocatables. I'm trying to remember which other one will right from the outset. Warman and Martensville will be at or near capacity. But we should have adequate room, so we should be in I think the best . . . So I'm going to let Donna Johnson give us some background about where we're at with space.

Ms. Johnson: — Yes. On the space front, as Minister Morgan has said, we'll have 18 new schools opening up in September, so that will create quite a lot of capacity. As he's mentioned, the 18 schools are being built with 304 permanent classrooms and also with some relocatables so as they open in September there will be 28 relocatables attached to these schools. And as the enrolment grows over the coming years, there's an anticipated additional 24 relocatables to be attached to the schools to ensure we have enough space to fit the full design capacity of the schools.

A little something that's a bit different about these schools compared to some of our older schools — we know that over the years we've attached relocatable classrooms to schools that have been built in our traditional ways. And when we go back and we look at some of those schools, when those schools were originally built, whether it was in the '80s or the '90s or what have you, generally the core of the building — so the gymnasium and the washrooms and the library and whatnot — were built to be large enough for when all of those classrooms were full. And then when you added on relocatables, there was some pressure put on the core. With these joint-use schools coming up in 2017, in September of 2017, we have built the cores to be big enough for the peak capacity of the school so when they have the full number of relocatables on them, the core is still large enough for that expanded enrolment in each of those schools.

Ms. Beck: — Thank you for that. And I'm not going to refute that we have more students in our classrooms, and I'm not going to refute that there has been significant capital investment. I will say that none of what I described there, perhaps not none of it, but is not an issue, is not a problem with physical buildings beyond, you know, when roofs are an issue or something like that, but it is very much an expression

repeated and widespread across the province of a feeling of being asked to do increasingly more with increasingly fewer resources. And that it is having an impact on the ability of teachers, of divisions, of support staff to do the jobs that they want to do.

And I guess I've heard from enough people a consistent message, and I do feel some responsibility to make sure that that is heard because I think it is significant. And it impacts the learning of our kids, which I would agree to your point earlier that you mentioned, Minister Morgan, that that is the reason we're here. And that's why I bring particular focus to it because I think that it is something that we ought to concern ourselves with.

There are a lot of places to cut in budgets, perhaps not as many as anyone would like. But you know, to cut too much out of our kids' education seems, frankly, not a long-term choice that's going to benefit those kids or that's going to benefit our province. I'm reminded — continually this goes through my head — of the early years document that was produced that talked about the return on investment, for every dollar that we invest in quality early learning programs and how that returns, you know, 4 to \$9 in monetary returns. But also, you know, we get to ensure that that child has a quality foundation from which to build.

[21:45]

So I think I really would be remiss if I didn't put a fine point on that, that that is what I'm hearing, and those concerns have only been increased with this budget. And that has been increased now when the concern is in addition, you know, that on top of the \$54 million in reductions, that we're also looking for a 3.5 per cent reduction in compensation which, you know, will decidedly put some more pressures on the system and will increase tensions within the system. So I leave that with you.

Hon. Mr. Morgan: — I don't think anybody's going to disagree that you need to have significant supports for learning to have success from your children, and we want to provide good supports for our children. We look at the outcomes that are there. And you were talking about or made reference to early years. We've added 889 spaces for additional early child care spaces. So the types of things that we're doing, we hope, gives a good foundation for where we're going.

You raised the issue as well about teacher intensification. Patrick Maze has raised that as well, and it's certainly a discussion point that's ongoing. We recognize the challenges that our teachers have, not just for intensification, but because of the inclusive model that we have which we're all very supportive of doing it. But all of those things add an additional challenge to the teachers in the classroom, and we're mindful of that and want to provide the right kind of supports.

You also mentioned the leaky roofs in passing. And we've increased the budget for preventative maintenance and repair to . . .

Ms. Johnson: — It's been increased by 5.2 million. So it's been increased by 5.2 million; it's sitting at 38 million now.

Hon. Mr. Morgan: — We've increased it each and every year, even in years where there's been a budget challenge. We know that we have schools that were largely built at two periods of time, one at the beginning of the last century, and those are the castle schools that people like David Forbes probably went to school at or taught at — I went to one — but those ones have largely been upgraded or treated as somewhat, if not designated as a historic property, have had some additional repairs given to them.

The ones that are really challenging for us are the post-World War II ones built in the 1950s and '60s that were not done as well as the original castle schools, are probably at the end of or past their life cycle. So those ones are the ones where there are hot tar flat roofs that tend to leak over time, and then before you are even aware that they're leaking, you've got structural issues inside. So those are the ones that we're finding we have to repair and replace, sometimes on little or no notice.

We've increased the PMR [preventative maintenance and renewal] so we have fewer surprises as we go along. But one of the ones that we had this year was the school in Rosthern which had some temporary supports put on it, and then we realized the floor was moving. It was built slab on grade and, you know, it was just, there was nothing we were going to be able to do that was going to make that a good long-term investment. So we will actually replace two schools in Rosthern with one. We'll do a K to 12 that will have 400-plus students at it when it's finished and should serve the community for a long time into the future. But that one you went through, the one school you went over, the other one you had, which was the best of the two, and it was none of the above.

So we've got a lot of those stories around the province, and we'll want to continue to provide funding, as well as we can, for those schools that need help.

Ms. Beck: — You mentioned, I was going to wait until tomorrow, but you mentioned the 889 additional spots that are realized with the opening of the new schools. One of the issues that I've heard is concerns about the ability to staff those schools because of the availability of qualified . . . Well first of all, retention is an issue within . . .

Hon. Mr. Morgan: — The which is?

Ms. Beck: — Retention, also with the number of people moving through the early childhood education programs. And I'm just wondering if there was a plan to ensure that those schools would have a proper level of staff because that has been identified as a concern, and in particular with some of the reductions.

Hon. Mr. Morgan: — The issue that you raise of recruitment, I'm going to let Mr. Currie answer it. I know that that's a challenge. When you read literature, all the way across Canada, it's a challenge to attract, maintain. We have developed a dual-credit program where a student can get credit for a high school credit as well as an early childhood . . . But I will let Mr. Currie answer the questions in this area. This is his very first time at this table, and I'd encourage you to be as aggressive as you like with your questioning.

Mr. Currie: — Thank you, Minister Morgan. As we're looking at the staffing needs of these joint-use school communities as well as the early childhood needs within our community, we are looking at establishing continued partnerships with sector partners to make sure that we have training available for each and every one of our new joint-use schools and these child care centres, as well as existing. And we see the need to continue to grow the staffing element, to have trained, qualified individuals in these respective sites.

And we see that the . . . We're looking to focus on three primary areas. We look to have working on, as I've already mentioned, working with these external partners to make sure that the staffing, professional development, and certification is in place. We look to make sure that we collaborate with our post-secondary institutions to make sure that the courses are in fact available. We look to make sure that we have collaboration with our ministries of Economy and Advanced Education, and we look to provide opportunities of involvement in our child care centres while the professional growth is being realized so that we can have individuals begin — once with some level of certification — that they can begin to work in the job sites and continue their professional growth, as opposed to waiting until they've received ultimate certification to begin working in these centres.

We're excited about the centres opening as well as the increased need for certified and qualified staff, and so that we see with these new initiatives opening this fall, that we would have created a support system so that the staff can be certified, obtain their qualifications to work in these sites as well as the other existing sites within the community. So we anticipate there would be renewed interest in the level of involvement and staffing opportunities not only for these joint-use school sites but also for the existing sites that we look to continue to support and provide staffing opportunities within those existing sites as well.

Ms. Beck: — I appreciate the answer. I guess a more specific question then, and I recognize that staff members within child care facilities can start that employment while they're continuing their education, but there are ratios in the regulations around the number of level 3's and level 2's required within child care centres. And the concern that's been expressed is, are there enough people at those higher levels to be able to meet the ratios within these new child care centres?

Mr. Currie: — We are compliant everywhere we are working with these centres, and in terms of that, we do have our consultants who are within the province, who are within our early years branch, who are out to ensure that we maintain compliance in working with our childhood education structures and that we monitor, support, and enable this wonderful opportunity to be provided within our communities.

Ms. Beck: — A question that didn't occur to me before now, but I think I'll ask it: are the employees in these centres going to be subject to the minus 3.5 per cent reduction in compensation?

Hon. Mr. Morgan: — A lot of them are working at the low end of the pay scale, so we haven't given any indication that they might be. And they might not be, may not be appropriate to. But there's no decision made on that yet.

Ms. Beck: — Okay. I would suggest that, you know, a significant recruitment issue is the fact that they're asked, you know, at the diploma level to have a significant amount of investment in their education, and really have wages that have stagnated and don't reflect the value of the work that they do. So I would be very concerned to hear if they were subject to that minus 3.5 per cent.

Hon. Mr. Morgan: — And I don't think either you or I want to get into the pay issues that are there. Most of the child care centres are third party. They're not funded directly by government, so they wouldn't be subject to it anyway.

But what I'm sure you and I will both agree on is the incredible value that those people give. I've been to a number of the centres, and it's actually really gratifying to watch how those people are with children. You can see the professionalism, and you can also see the love.

Ms. Beck: — We certainly can agree on that. In fact a lot of people, you know, have second jobs to support their habit of working in child care centres, I'm afraid.

Hon. Mr. Morgan: — I'm not going there. But I'm glad that we have those people working there, and I think we all should be.

Ms. Beck: — Absolutely, yes. I'm just wondering, if I start into something else, it might take me longer, but I can start. Since we're talking about the value of early childhood education and the work that goes on there, I'm reminded of some of the conversations that I've had with folks in centres around the province.

One of the more recent developments, post-budget here, was the decision to move away from block funding for the inclusivity grant towards more of a per-child model. And I'm just wondering about that decision broadly, and then I can start asking some specific questions about it.

Mr. Currie: — Well we value the care that these child care centres offer and provide to their families and the community, and we continue to maintain our confidence that these centres can deliver inclusive programs with the inclusion of grant funding streams that are available to all other child care facilities in the province.

What we have done is we continue to review our programming support and we continue to ensure that on a needs-based model, that our funding is directed towards the children within these programs. And so what we have here are . . . We find that we are committed to improving the learning success and the well-being of the children in these programs. And so what has happened is we have informed child care centres that they would be eligible for other streams of inclusion funding based on children's individual needs.

Ms. Beck: — So the funding follows the child. Is that correct?

Mr. Currie: — Right.

Ms. Beck: — Right. I think you're aware that this was a rather sudden and unexpected impact to these child care centres. I

believe there were 10 of them in impacts — I'm just looking for my numbers — between, I think, 40,000 and in the case of one organization with two centres, about \$120,000, so significant.

[22:00]

There's some concern that's been expressed about how the individual families, individual children, parents of those children, would pursue that funding. What assessment will they need to have in order to qualify for that?

Hon. Mr. Morgan: — The vast majority of our child care . . . [inaudible] . . . are already using that model. The assessment is done when the child first enters, then they are recognized for whatever the needs are. And wherever that child goes, then that child is entitled to those additional cares.

Now I realize that it may be somewhat disruptive for the daycare to lose one or two or three of those, but for the parent that is taking that child to another facility because they've moved for business or personal reasons or whatever else, that child can seamlessly transfer from one place to the other.

And after it had come up in question period, I appreciate the issue that was there for the daycare that was there. But for the family that was there, for them, if they chose to move or go on, they've done the assessment once. They don't need to worry about where they fit in the stream. They just go ahead and move wherever they want, and they don't have to go through a reassessment or reassignment on anything else.

Ms. Beck: — So all of this, all of the children that are covered by that block funding currently, they've all had assessments done?

Hon. Mr. Morgan: — Not in the block funding, but in the individual streams they would have.

Ms. Beck: — So one of the concerns that has been expressed then is that perhaps the most vulnerable, so those children whose parents won't pursue that assessment, are going to be disadvantaged potentially.

The other is just the already significant strain on some of these resources in the community that would be asked to be doing these assessments — OTs, PTs [physical therapists] within the health care system, child and youth services that are already significantly stretched — that we would be asking them . . . In the case of one centre there would be — that I spoke to — 15 assessments that would be required in order for those families to get the now individualized funding because they don't currently have it because they're covered under the block funding.

So I'm just wondering what the plan is there, if there's any increase. I think I maybe know the answer but . . .

Hon. Mr. Morgan: — Well the goal is to have all centres transitioning to the new funding so that we are directing the funding directly so that it follows the child rather than the centre. And I appreciate it may be an inconvenience for the centre, but it certainly isn't for the parents once it's done. And I would hope that the centres would identify if a child should be

assessed or is struggling and in need of additional supports, and having other discussion with the parents or arranging to have it done. And I hope that there is sufficient expertise in them to do it.

But I think it's a far better model to have the funding follow the child than at a centre. You may have a centre that has, as you indicated, a number of special needs children at one time. Those children move on. Well we shouldn't be funding an institution that doesn't have those children there anymore. Wherever those children have gone to, that's where the resources should go.

In 2016-17, the ministry spent \$5.515 million to support children with the needs and disabilities. The block inclusion was 580,000. The enhanced accessibility grant was 4.8 million. So there was also the individual inclusion grant, was 135,000. So the funding will continue the same this year, and it appears to be a workable system.

Now I appreciate the institution may not like it when they lose the children, and I understand where they're coming from. But for the sake of the child, I can't imagine anything better than not to have to go to another place, worry about whether they're entitled to additional funding, or if that other daycare or centre doesn't have the supports in it, then where do they go from there? So I think both of us would agree that we would want the support to go with the child. But I don't know if you disagree.

Ms. Beck: — Well I guess those aren't the only two considerations there, and I certainly understand the portability that you're talking about. But you've also described a system now where there's an increased amount of administration time to have that money follow, set-up with a new centre, the time, you know, staffing. How do you work that staffing? I mean there are just some significant concerns that have been expressed.

And it was a concern that was brought forward from the sector that this might have been something that they could have addressed in a different way, but this came as a rather big surprise to them that this funding was changed and removed at this time, in this way.

And we were just talking, what made me think of it is, we were talking about recruitment and retention within the sector. And you know, I'm not sure if this child has non-standard hours coming to the child care centre, if that means the person assigned to them or the increased support has then . . . works around that child's hours. There's some logistical issues there that were expressed that maybe should and could be thought . . .

Hon. Mr. Morgan: — We're going to end up agreeing to disagree on this one because 97 per cent are on the new model. I'm not going to apologize or back away from having the funding follow the child.

If in the process of the transition there's a referring professional, can't be accessed prior to July 1 of 2017, ministry staff might endorse the grants for a limited period of time to make sure that the remaining 3 per cent come onto the system where the grants follow the child. And I think that's absolutely the right decision to make. I haven't heard back from anybody in the sector that disagreed with it. In fact the first time I heard

of it was from the daycare that you raised in the House and was surprised and disappointed that they were focused more on their operating business, which I'm not complaining about them doing it, but they should have been focused on the child first. The children that were in that daycare, those were the ones that we should, you and I, should be focused on, making sure that those children get the supports that they're entitled to, that they need, that they've been assessed, and those are the ones that we want to work towards.

[The committee adjourned at 22:11.]

Ms. Beck: — I would suggest it would be entirely mischaracterizing the folks who have brought these concerns forward to suggest that they don't have a commitment to the sector and to the children. You know, we're talking long-term employees, in some cases over 30 years in the sector, who really have again dedicated their careers to this. So perhaps there is a discussion that needs to happen in terms of them expressing directly their concerns here. But it certainly was not the case at all that I had any inclination that this was about, you know, hoarding their own resources. This was a concern about how services were delivered to these children in the sector.

Hon. Mr. Morgan: — I think on this one we can agree to disagree. Our commitment is to have all of the children under the new model where the money follows the kids. In any event, I respect what you're saying.

Ms. Beck: — Thank you.

The Chair: — It now being after the agreed hour to adjourn . . . Before we adjourn, I don't know if the minister would like to have some quick closing comments because he will be back tomorrow.

Hon. Mr. Morgan: — I'm not sure I'll have the same happy group of professionals with me, but to the extent that those . . . some different ones. I'm presuming that it's in order for us not to bring the library people back tomorrow, so I'll let them be excused. And for those that are excused for tomorrow, I want to thank them for coming here for the evening, and not just for tonight, but for the professionalism that they serve our province with year-round.

The Chair: — And we would like to thank them as well. We know what a difficult job they have in making their minister look good. I would also like to thank Mr. Nerlien for sitting in for me earlier as the acting chairman. Would someone . . . Go ahead, Carla.

Ms. Beck: — If I just might add to the minister's comments, I do thank each of you. I know we've kept you here now past 10 o'clock. And believe it or not, if it gets tense in the room, we're actually being nicer to each other than sometimes we are. So thank you for your presence here. Have a good evening.

The Chair: — Thank you. Would someone move that the committee do now adjourn?

Hon. Ms. Wilson: — I so move.

The Chair: — Ms. Wilson. All in favour? Agreed. This committee stands adjourned until tomorrow, April 11, 2017, at 7 p.m.