



STANDING COMMITTEE ON HUMAN SERVICES

Hansard Verbatim Report

No. 24 – April 11, 2017



Legislative Assembly of Saskatchewan

Twenty-Eighth Legislature

STANDING COMMITTEE ON HUMAN SERVICES

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Mr. Hugh Nerlien
Kelvington-Wadena

Hon. Nadine Wilson
Saskatchewan Rivers

[The committee met at 19:00.]

The Chair: — Welcome to the Human Services Committee. We will be reviewing the estimates for Education. So, Mr. Morgan, welcome again. If you would like to introduce your officials that you have at the front table; further, I would ask that when an official who isn't normally sitting there comes forward, to please introduce themselves.

Hon. Mr. Morgan: — Thank you, Mr. Chair. I am joined right now by Deputy Minister Julie MacRae. I have largely the same officials that I have last night. The critic has cautioned me against reading all of the introductory remarks last night. I will accept that caution and will not be repeating them and am prepared to answer questions from the members of the committee, Mr. Chair.

The Chair: — Okay, thank you. With us this evening we have MLA [Member of the Legislative Assembly] Buckingham, MLA Wilson, MLA Fiaz, MLA Nerlien, MLA Forbes — I was thinking of a Farrell for some reason, with two r's — and MLA Beck.

**General Revenue Fund
Education
Vote 5**

Subvote (ED01)

The Chair: — Tonight we are considering vote no. 5, Education, central management and services, subvote (ED01). Mr. Forbes.

Mr. Forbes: — Good evening, Minister, and to your officials. I've just got a couple of questions or issues that I'd like to hear your thoughts on. Right off the bat, it's really about the deaf and hard of hearing, and I know you're familiar with that issue.

You've had presentations to yourself, I understand, and of course I've had presentations over the course of the years. And this is a long-standing, outstanding issue for many, many years around the access and equality for the deaf and hard-of-hearing people. And of course it is before the Human Rights Commission right now, and they're doing a lot of good work around that. But I just want to get some of your thoughts on this around some of the issues. I don't know if it's gone much further than this.

The last thing I'm looking at is a report to stakeholders. I understand that there might be something more permanent in the near future, but this is what we have right now. And of course it is an interesting issue, and of course I know my colleague has raised the issue around audiologists and all of that within health, but of course education is a very big part of this. And this is the kind of issue that really speaks to human rights, but it's one of those things where I think that this is where public education really levels the field for everyone and makes sure everyone's engaged in the way that is appropriate for them.

So at the end of the report it talks about issues to be addressed and things, that some of these things should be addressed in a timely manner because we know it's been way too long in terms

of getting to appropriate education for the deaf and hard-of-hearing people. We understand that, you know, the whole technology, the rise of technology has been helpful to some, but the recognition of American Sign Language is also very, very important as a cultural heritage language. And the fact that in Saskatchewan . . . And then I guess my first question is, would be how many people would fall into this? And if you have some opening remarks about the deaf and hard-of-hearing people, particularly in the near future, because this is an issue that I know that community is really raising a lot of concern, and we need to address this for the children.

Hon. Mr. Morgan: — Thank you for the question. I'm going to let Mr. Currie give you some background on that. I think probably that you and I met with some of the same people.

There is two very distinct schools of thought as to what supports should be provided. There's one school of thought that talks about cochlear implants and teaching people to lip-read and what you would ordinarily deal with treating a person that has a challenge, and you would try and develop supports around that. And that seems to have been, probably has been there for a longer term. And there is also now a growing or a significant group that see ASL [American Sign Language] as a unique language and they see it more as a cultural or a language issue than as being a person with challenges.

So the schools that we have did not deal to a great extent with ASL. I've had some conversations with the Human Rights Commission as to where they might go, sort of looking to see whether there would be some specific recommendations. And I've also had some discussions with Eugene Paquin and some of the people that you would know as well, who see it as being providing the right supports for ASL.

Some of the individuals within that group would like to see a congregated educational setting for those students. They're not advocating that we would reopen R.J.D. Williams, but would like to see a congregated school for those students and would like to see some specific supports for them.

I met with one family that felt there was no suitable place for their children in Canada and were taking them to the US [United States], which is clearly not a workable option for the province. So we regard it as finding . . . I thought where would a landing place be, and the reality of it is there's likely two landing places: one for one group, one for the other and whether we do it.

Saskatoon Catholic School has now got a program in St. Philip School that I've gone to and toured, dealing specifically with ASL. I don't think there is a similar program in Regina at the present right now. I only know of the one in Saskatoon, but there may be others that are emerging at a division level. But I think we're seeing somewhat of a change or the options that are there.

Now that I've said that much, and a lot of it is my opinion, I'll let Mr. Currie give you some particulars. And no doubt I've muddied the water, but I wanted to sort of put it on there that there is not a specific position taken. There's a recognition that there are more than one position.

Mr. Currie: — As we know, the Ministry of Education is committed to improving the learning success and well-being of all Saskatchewan children and youth, and as such we are supporting, continue to support a needs-based model, a delivery model that promotes the success of all of our students, including students who are deaf and hard of hearing.

In the 2016-17 school year, our school divisions reported that 256 students who are deaf and hard of hearing required intensive supports, and this was an increase from the 242 students in the 2015-2016 school year.

We have committed to do continuous work with our Saskatchewan Human Rights Commission within the province and meet with them periodically, as well as CBOs [community-based organization], and continue to look to support the needs of our students in the schools.

This year through our Supports for Learning, we have \$277.5 million dedicated to the Supports for Learning supports, 25 per cent of which is for intensive supports, which rounds at \$69.4 million. This includes funding for the deaf and hard of hearing.

In November of this last year, 2016, a committee of stakeholders led by the Saskatchewan Human Rights Commission was formulated with membership from the deaf and hard-of-hearing community, relevant CBOs, and various ministries to address the recommendations you've referenced in the report. We have found that in working and having a seat at that table we have been able to facilitate financial resources, human resources, supports through the school divisions to meet the learning needs of our students. And we find that we are having our supports provided for students who are deaf and hard of hearing in inclusive school settings with grade-alike peers, either in the student's home community or in a school within the division that provides specialized supports for students who are deaf or focused supports as well.

Mr. Forbes: — Okay, thank you. Now that's very helpful. Now would you say you've described a situation that sounds like, could be interpreted as everything's okay, their work is done? Or do you think that the work that's being identified by this group of stakeholders is creating a priority that you'll need to really pay attention to?

The reason I'm asking this is because this goes back to the closure of the Williams School for the Deaf in the late '80s or early '90s. And I know about inclusion; I'm a former teacher. I'm actually on leave from Saskatoon Public. And I know that inclusion works well in theory. Often it works, but sometimes, you know, it doesn't work. And when you're denying a student access to language, it really doesn't matter what's happening in that classroom. If there's no language happening, nothing's happening, or very little.

And I know, you know, the Human Rights Commission's worked on this. We've heard or we've seen reports from the Children's Advocate as well — some tragic situations in social services for many years where families . . . the technology hasn't worked. So I want to get a sense of priority from the minister.

Hon. Mr. Morgan: — I don't regard it as being a completed

project, or everything is fine. I think Mr. Currie told you, you know, we're providing significant ongoing supports, and we'll of course continue to do that. But I think making sure that we're able to address the need for the supports of ASL as being a language, and in that context we're not there, I think we want to have some more discussions with the stakeholders and with the Human Rights Commission. It's something we're aware of, and I think we're trying to get a good sense of direction.

And as I'd indicated before, and I raised it for that reason specifically, was the one family that said, yes we want to take our kids to Texas; you know, those are things that, while it might work for that family, they're not a realistic option.

But the fact is there is a need for it, and that is how we will best support those children, is by developing some programs in concert with the stakeholders that are there. So what I would say to you is that we regard it as a work-in-progress, and we're wanting to work to find a direction and make sure we go the best way we can.

Mr. Forbes: — Okay, thank you. Do you have any interprovincial or between provinces agreements to provide services for students whose needs cannot be met in the province?

Hon. Mr. Morgan: — I think what we can probably do is have the officials look tomorrow and find out whether there's . . . I presume you're asking whether we're party to any agreements or whether we're aware of anything? It appears that nobody is aware of anything that's here tonight, but we can certainly look at our . . .

Mr. Forbes: — When I was scanning this, and I didn't highlight it so I can't quote it, but I understand Alberta, Manitoba, many provinces do have agreements where they do provide services for students whose needs can't be met within their own province. They buy a service or they go to that province.

I understand your comment about Texas and the States. You know, one of the things I found when I was doing the research was how other provinces have a pretty robust program to meet the needs of the deaf and hard of hearing. In many ways they feel it's bilingual, that you can be both fluent in ASL, but you can also have the technology that goes along as much more of a heritage type of thing. And the numbers, so 265 students over 12 grades. Is that right?

Mr. Currie: — There are 256.

Mr. Forbes: — 256. Okay, divided by 12 is roughly 10 or 12 in each grade then. I might . . . I'm just, you know, doing the math.

[19:15]

Hon. Mr. Morgan: — To compound it, assuming a uniform distribution, that would be so many per grade, and then across 28 schools divisions it's a small number. So right now the divisions have been developing or doing some things on a student-by-student basis. Some of the divisions may even have agreements with other provinces. I'm not aware of that. But I

think it's something that the province, we'll probably need to take a greater role in because of the small numbers and, you know, the spreading around of the students. It's something we've had a number of discussions with the ministry officials, because you and I meet with the same people and are aware of the same issue. Anyway, your point is well taken.

Mr. Forbes: — Thank you. And I think I just have to say that I think it's an issue we all need to get behind, and we'd be very happy to get behind that. I think that it's one that has been a long time . . . And I had a note here that you talked about ASL as an emerging thing. I think in many ways it's re-emerging because it was the language that was used at Williams School for the Deaf and it's much more fluent, it's much more . . . as opposed to signed English where you're spelling out words, and that's not a natural or a typical way to speak or conduct your social affairs.

And I find it fascinating, and I don't know, you know, Mr. Minister, if you've been to a deaf meeting, and you're the one who's getting the interpretive services and the clapping breaks out. Have you had that experience?

Hon. Mr. Morgan: — Yes, I don't know whether I remember clapping, but I know you're the one that's sort of the odd person out, and I think it gives you a greater awareness. When you started making your comments about it being re-emerging, at the risk of getting in trouble with our . . . [inaudible] . . . folks, I agree with you.

Mr. Forbes: — Yes, thank you. So I think, and there's some particular areas you talked about whether these are all, you know, equitably distributed across a province. And I understand that it's actually not, that there's more children with deaf and hard of hearing in the North. I don't know if you have that stat. It's one of the issues that they address in this report, and I quote, "Take measures to address the isolation experienced by deaf children and adults living in northern and rural communities . . ." And I think that's really, really powerful, that this is something that we really need to address. Not only are they isolated by distance, but it's a tough situation.

Hon. Mr. Morgan: — I can't speak to the specific statistics, but I would be inclined to agree with that, at least anecdotally. When I've travelled in the North, it seems you are introduced or made aware of hard-of-hearing students at a higher rate than you are in Saskatoon or Regina.

So for whatever reason I think that's probably an accurate statement, which makes it harder to provide supports when you're dealing with one or two students that are a long way away from anywhere else. But you know, it's a challenge that we have, and I think the ministry officials are aware of it and are wanting to work with the Human Rights Commission and try and work through and try and find some good solutions for those students. It may not be a Texas, it may not be the same kind of congregated setting because I challenge . . . I said, you're not asking us to reopen R.J.D. Williams? And the answer was, no we're not; we know that's not going to happen. But if you were thinking, if it was open and you were thinking of closing it, we'd be discouraging you from that. So you know, based on that conversation, you have to understand where they're coming from and what their feelings are. So I think I

appreciate where they're at, and I think we would want to look at what best practices are and see where we'd want to go to.

Mr. Forbes: — I would say the model at St. Philip is, it is worthy of examining further. It's congregated but within a larger school. But there's been situations where, you know, particularly in having skilled interpreters and teachers who are really immersing in the culture of deafness is very, very important.

Hon. Mr. Morgan: — I've actually been to that school a couple or three times. And I know it wasn't your former school division or mine, but it's one of my favourite places to go to, is St. Philip. So it's great.

Mr. Forbes: — So that raises a couple of points, further points on this. You've raised the amount of money that's committed. One of the areas that Saskatchewan has fallen behind in a big way is around interpreters and having enough interpreters for the schools. Is this a priority for this government?

Hon. Mr. Morgan: — I don't know whether we would agree with the premise that we're necessarily behind and I'm not sure where the interpreters come from. They're provided at a division level, not provided by the province. So it might be a question we'd want to talk to the divisions on and see whether they feel they have. And my understanding as well, and I stand to be corrected, is that a lot of the interpreters don't work on a full-time basis. They come sort of on an on-call, and I could certainly stand to be corrected. I don't know whether Mr. Currie has anything to add.

Mr. Currie: — The Ministry of Education has a three-year agreement with LanguageLine totalling \$45,000 and this is at no cost to school divisions. The ministry assumes this cost and it will assist, the VRI [video remote interpreting] assists students and family members who are deaf and hard of hearing.

We had an informal survey of urban, rural, and northern school divisions indicating the needs of the students and the range of supports. And in response to your question, we do have and continue to support qualified personnel working with our students, qualified teachers of the deaf as well as sign language and oral language interpreters. So we continue to work with the school divisions to support their meeting the needs of their students through the resource allocation that we have provincially.

Mr. Forbes: — What was the name of the program?

Mr. Currie: — This is the video remote interpretation.

Mr. Forbes: — Okay.

Mr. Currie: — And it's part of LanguageLine, a three-year agreement with the LanguageLine.

Mr. Forbes: — And what is LanguageLine?

Mr. Currie: — LanguageLine is, that's the name of the company that's providing this support that is a service that includes, as I've mentioned, the video remote interpretation.

Mr. Forbes: — Now is it ASL or is it signed English?

Mr. Currie: — I don't know. I'll have to get back to you on that one.

Mr. Forbes: — Okay. And is it, is this a new commitment? I guess you've gone into the priorities of the deaf and hard of hearing. Are there other supports you have for this community?

Mr. Currie: — Again, what we will do is we will continue to survey the needs from within the school divisions and also with our sector partners and speak to other supports that may be required or requested, such as the audiologists' service contracts from CBOs as well as student support service team members and speech language pathologists, just to name a few.

Mr. Forbes: — Now when funds or services are identified for students, now I'm not sure how it works now, but it was that it used to be the funding was block funded to even the school division, not even necessarily the school. But it seems the ministry's moving away from that and having the money follow the child. We were talking about it last night. Is that something that's going to be moving up into primary and elementary grades?

Hon. Mr. Morgan: — What the discussion was last night was an early years program. So what we're talking about here is, this would be part of block funding to the schools.

Mr. Forbes: — Are you going to continue block funding, or is there going to be a change? Is this thing, when you've signalled that the funding is following these children when they are in daycare settings, is that a new thinking of the ministry, that you're going to start funding individual children and their needs in the primary and elementary grades?

Hon. Mr. Morgan: — The officials are telling me that they're not looking at expanding. They've done that for early years, and it appears to be working well for early years. There's nothing under discussion to consider that for upper years. Although I guess if things work out, certainly it's something that discussion might take place, but there isn't anything at the present time.

Mr. Forbes: — I did note the minister's enthusiasm for it last night, and he was seeming to say that it made a lot of sense.

Hon. Mr. Morgan: — I stand by that completely. What was happening there was you had young children that had gone through an assessment. So you know, if you're a young family moving a child back and forth, it made a lot of sense where there was a continuous program. And that works well at a kindergarten level, but when the students start grade 1 and then are part of the school system . . . But it may be an interesting discussion point for the officials to have, who as we speak are making notes and may want to have that discussion.

Mr. Forbes: — Okay, well this is really interesting because . . . and I don't know if Mr. Currie has been to, is one of the group participants in this . . . [inaudible] . . . the Human Rights meetings?

Mr. Currie: — We've had ministry officials attend those meetings.

Mr. Forbes: — Okay, so one of the key things — and this is not in your area, but it's in health — and that's the early identification of kids with hearing issues. And this is something that Saskatchewan, I think it is well known that we lack behind other provinces. I won't say where we are on the map. But it is something that's relatively inexpensive to screen newborns and then start to develop plans accordingly. So the acquisition of language, which speaks volumes in early learning if, you know, kids come to school without any sense of language, then we're set way back.

And so the early identification and then, as you were talking about last night, if there is funding that's going to help those children, this is one where we get back into that bilingual thing where both the technology, if parents so desire that, or the American Sign Language process.

Hon. Mr. Morgan: — I appreciate the points you're making. I'm not sure that I would agree that we're falling behind or whether we're doing worse than other provinces. I think I can say this: that our province and our education system recognizes and realizes the need for our early diagnosis and early intervention. So I'm going to ask either one of the two officials here to talk about the ECIP [early childhood intervention program] program, which is relatively new, and the KidsFirst program, both of which are specifically targeted for identifying and ensuring that kids get the supports at the earliest possible stage.

I think in that regard, I would certainly agree with you that the earlier the intervention, the better chances for a good outcome for that child. So anyhow, I'll let one of the officials give you a bit of background on those two programs.

Ms. MacRae: — I just want to go back to the notion of the funding mechanism or funding model. The supports for learning, or the supports that we provide for children with intensive needs, was reviewed as part of our funding model review. And in the context of that review, it was determined that our practice is very much like that of Ontario as well as Alberta, in that the funding for intensive supports is in fact population-based rather than, as you would put it, following the child.

It continues to be block funding. And the determination about how that is best used is left to the individual school division on the basis of the assessments that they do. So we are at least comparable to the work that's being done in those two provinces.

[19:30]

Mr. Currie: — Maybe just as one follow-up response. You had asked a question earlier with regards to the LanguageLine, whether or not it was ASL interpretation. It is in fact, and while we have a three-year agreement with this company, we have had no access from any of our school divisions over the last year for this service. So we continue to let our school divisions know that this service is available, and hope that they will make use of it when it serves the needs of their students.

Mr. Forbes: — Okay.

Mr. Currie: — In terms of the early childhood intervention program, it's a Ministry of Education initiative that maintains funding for our students, our children. ECIP is what we call it, to the tune of 3.95 million for this '17-18 year. It's an early intervention program offered to increase children's readiness for school. It increases the number of children who are ready for school as a priority, and it's part of our early years program as well as part of the education sector strategic plan. It serves over 1,200 children annually, and additional families are supported to receive on-reserve ECIP services through the First Nation and Inuit health branch of Health Canada. There are 14 of these, what we call ECIPs across the province to support children who experience developmental delays and their families.

Mr. Forbes: — I just want to . . . a final point about this deaf and hard of hearing is, one of the big things for the folks is recognizing American Sign Language as a heritage language and a language of instruction. So I am curious whether the minister would be prepared to make that statement. It has been made in Alberta. There's been a lot made of just the recognition of American Sign Language as a heritage language. Are you prepared to recognize that as a language of instruction?

Hon. Mr. Morgan: — You know what, what I would do is say that we're going to continue to work with the Human Rights Commission. We'll continue to work with the stakeholders to make sure we provide the best supports possible for our students.

But no, I'm not going to make a specific declaratory position here today without a lot of due consideration and a lot of discussion with the Human Rights Commission and understanding . . . Rather than make a statement, I would rather look at what we need to do to provide comprehensive and good supports for our students.

I think you and I have both gone to St. Philip and we've talked to some of the same people. We understand the need. We understand what parents want, so that they can be as supportive of their children as they possibly can, and I think all of us want to continue doing that.

Mr. Forbes: — Thank you. And I do urge you to make this and the ministry this a priority. It's one that is a significant one, and it's one that needs to be addressed for the learning, for the children. But the Human Rights, there's so many different, important layers to that.

I know that we've got lots of questions to ask tonight, but I've just got another one. You mentioned last night that you provide funding for the Junior Achievement?

Hon. Mr. Morgan: — Correct.

Mr. Forbes: — And how much would that be?

Hon. Mr. Morgan: — We actually have . . . There's a funding for literacy programs and it's divided into two components: 200,000 goes to Junior Achievement, and 100,000 goes to the Martin Aboriginal Initiative. I'm not sure whether the Martin money flows through JA [Junior Achievement] or whether it goes separately or not . . . [inaudible interjection] . . . Okay, I'm told it now flows through Saskatoon Public.

The Martin initiative needs to have somewhere that sort of the program in Saskatchewan had housed. So I know it worked through Junior Achievement last year, and if Saskatoon Public is doing it this year that's . . .

Mr. Forbes: — How long has this program been receiving funding from . . .

Hon. Mr. Morgan: — Which one?

Mr. Forbes: — Junior Achievement.

Hon. Mr. Morgan: — The officials are aware that it's gone back at least as far as 2014. I'm going to ask them to double-check and see whether it went back further than that because my recollection was it was there for some years prior to that.

Mr. Forbes: — And has it gone up or down?

Hon. Mr. Morgan: — It's been static for the last two or three years at this level.

Mr. Forbes: — Okay, thank you. I think that's all I have.

I know you've got lots of questions. I can tell by the sticky notes here. So I'll turn it over. Thank you very much for the questions, for the answers.

The Chair: — I recognize Ms. Beck.

Ms. Beck: — Thank you, Mr. Chair. And thank you again for everyone being here this evening.

There are a number of questions that I didn't get asked last night and some that I think I'd like to revisit. And certainly one theme that I would like to revisit and that is just around clarity, clarity within this budget with regard to, in particular, the K to 12 [kindergarten to grade 12] sector, although I suppose that extends to libraries and early learning and child care as well. Some of those answers came last night and some you'll find I'll want to go back to for some further clarification, and also some events between last night and this evening that I'd like to spend some time on.

Of course the SSBA [Saskatchewan School Boards Association] today spoke out about the 3.5 per cent mandate, the letter that was sent to them last, I believe it was on April the 4th. And they're having some difficulty, some significant difficulty, and asking for clarity, as you're aware.

In the press conference today, the president of the SSBA noted that schools had already taken about a 3 per cent cut in this budget. So that works out, as we established last night, about \$54 million. Their numbers put it at at least 55, and at about \$500 per student reduction in funding.

And the indication is, from this letter, that the targeted reduction in staff compensation is an additional 3.5 per cent on top of that. Of course we all know in this room that about 80 per cent, thereabouts, of the cost of running a school division is in staffing and in providing services to students in classrooms. And so I guess the first question I have is that, can you confirm

that it will be in fact about a 6.5 per cent reduction overall that school divisions will see this year?

Hon. Mr. Morgan: — No, I can't. What I can do is, the amount of money that was in the budget and the amount of money that was specified, I think the \$50 million figure that you're using, is based on a school year rather than on the government fiscal year. But having said that, those numbers are in the budget and those numbers are in the budget book, so there's no issue as to clarity with those.

What treasury board has asked us to do is find additional savings across all of the public sector. That would include pensions, benefits, flexible benefits, and to look for other savings as we go forward with a target of 3.5 per cent. So it doesn't necessarily mean it all has to come from one sector or another; we know full well that we can't require or expect teachers to be taken out of the classroom at this point in the year to try and save money. There's, you know, we would have to bring in substitutes or whatever. So the expectation would be that they would work to find savings based on expired contracts or in concert with some of the public sector unions. And I met later on in the day with the president of the SSBA and told him and also the vice-president that we would send out some further correspondence in the next few days to try and give some greater clarity.

The one thing that I made clear today, and want to make absolutely clear, is that we are not asking nor encouraging, and are actively discouraging anybody from making or doing anything that would be regarded as an unfair labour practice. We've asked people to understand the financial situation with the province. We've asked about savings across a number of different areas within Education with the idea that those savings would remain in the classroom. And we'll want to have some discussions in a broader sense about where we go with that with the Public Service Commission mandate and where it goes. But in the meantime, I've told the president of the SSBA that we'll provide some greater clarity. And we have some work to do with the public sector bargaining committee so that we don't have anything that's unexpected or unintended.

Also, while we're talking about the topic, is a letter went out from the deputy minister which was in error. It talked in terms of whether there would or would not be layoffs. And I'm the minister; I'm responsible for that, so I accept responsibility for that. I'm not going into the details about where or who or how the letter was prepared or drafted or any of it. The letter was wrong and we've asked the SSBA and our partner divisions to give us some time to get some better clarity so that we're able give some more meaningful direction as we go forward.

Ms. Beck: — Did you provide the direction on this letter?

Hon. Mr. Morgan: — The direction came from the Ministry of Finance that we were supposed to approach public sector unions with looking for savings in those contracts. So that would be the genesis of the letter. But the letter was in error on providing some specifics that weren't accurate.

Ms. Beck: — I hope that you can understand why there's a significant amount of confusion around this, including with the Finance minister's comments yesterday where it was suggested

that no, don't necessarily break existing agreements but invite those units who perhaps still have a valid agreement back to the table and suggest that they could . . . I don't know if it was suggested that they would voluntarily find a 3.5 per cent reduction. You indicated that you'd had a meeting with the SSBA. Were there any written clarification provided to that body in terms of how to proceed?

Hon. Mr. Morgan: — No. No, I indicated to them that we would provide some written clarity in the next few days and in the meantime not to act on it. We want to make sure that what we give them is specific, it's clear, that doesn't leave anybody with the impression that we're asking anybody to break any existing contracts. And we want to provide some specifics about where we go. The target is there and the target is real. We want to have the discussions with the unions.

As you're aware, the unions are not under any obligation to open up a contract during the term of it, but there may be opportunities for them, that there may be some things that they see. And I can't speak for public sector unions, but they're certainly . . . have in the past been willing to have discussions during the term of what . . . that doesn't . . . you know, may lead to a variation or an amendment or things that would take place at the end of the contract.

Ms. Beck: — Did you just state that there might be an opportunity for the unions to go into existing agreements and voluntarily take reductions? I'm not clear about that. That doesn't seem . . .

Hon. Mr. Morgan: — I'm not saying a union might do that. There may be a reason why a union may want to have some discussions regarding the terms of the contract during the term of the contract.

Ms. Beck: — And what might some of those reasons be?

Hon. Mr. Morgan: — They may want an extension. There may be things that are beneficial to their members. I can't speak for the unions, but what I can say is that we have a target to find those savings, and we want to work with the employee groups to try and find those savings.

Ms. Beck: — Surely it would be reasonable to suggest that, given that they know that there's a minus 3.5 mandate, that they might not see this as an opportunity that's really good for them to come to that table. And I'm not sure what those discussions would even look like.

[19:45]

I know that in the letter, there was a request for boards to have a plan in by last Friday, I believe, the 4th to the 7th, which is an incredibly tight timeline. Were there boards that were able to submit templates?

Hon. Mr. Morgan: — I'm not aware of any. I think before we commit any of the divisions to taking a specific . . . we want to be able to step back and make sure that they have a clear direction where they're . . . what the expectations of them as employers are and explain to them what things might work and what things might not work.

Ms. Beck: — So that 3.5 target, is that a target for each individual board to come up with a 3.5 per cent reduction?

Hon. Mr. Morgan: — The 3.5 per cent is all across the public sector, all across all ministries.

Ms. Beck: — So if you have boards that have a number of open contracts, would they be expected to take a higher share of that reduction?

Hon. Mr. Morgan: — It's across all of government. It's not been apportioned to any portion to education or to a specific board. And I'm not able to say what those specifics of it might be.

Ms. Beck: — So if there is a bargaining unit that has a contract that perhaps is in place until 2019 or 2020, it would fall, a higher portion would fall on those employees that had expired contracts or contracts that were about to expire. Is that the case?

Hon. Mr. Morgan: — I wouldn't speculate on that.

Ms. Beck: — But you did state that we couldn't go into the contracts that were in force and we still have to find this 3.5. So where does it come from?

Hon. Mr. Morgan: — I indicated that we're not asking anybody to breach a contract. We're not asking for anybody to become involved in something that would be an unfair labour practice. What we have is a target for finding those savings. Now whether the savings would come from attrition, changes to a variety of other things — management, out-of-scope employees, whatever, whatever the other things that they might find from that — so those are the things that we would say to the divisions, what do you know of, and that was the reason why they were asked to participate in it. But I think as government we want to be in a position to give some greater clarity and have some more meaningful discussion as to how that might go before we ask them to go and engage with the public sector unions.

Ms. Beck: — I would agree that there's continued need for clarity here, so I'm just, I'm really trying to understand this because this has been incredibly convoluted. So if you have a bargaining unit that has a contract that doesn't expire during the course of the next year, what does that look like for them? Are they expected still to find 3.5 or that goes on to, say another bargaining unit within the same school division who has a contract that expires at the end of May, for example?

Hon. Mr. Morgan: — We have a target that we would like to find a way to meet. How that would look like on a unit-by-unit basis I can't say, and I can't say what the options might be. I did mention, you know, that there are benefits, pensions, flex benefits, a variety of other things that are there. The Premier had speculated about furlough days and perhaps, you know, those might be an option. So I think those are discussions we have, and I certainly don't think you would be expecting us to sit here and negotiate or raise those here. We've identified them as a target.

We have to give some clarity to the divisions about what type of things they might want to raise when they meet with their

unions. As you're aware, we're not privy to those collective agreements other than the teachers' agreement. Those agreements, those CUPE [Canadian Union of Public Employees] agreements, SEIU [Service Employees International Union] ones are determined at a local or division level without the benefit of a standard template, without the benefit of a common expiry date. So the terms in those agreements vary greatly so, you know, we want to work through those things.

So you may want to ask those questions of the Minister of Finance. But I certainly don't want to say anything here that could be construed as bargaining or having those kind of discussions. I think those are ones best left for a bargaining table.

Ms. Beck: — And I mean, I do understand what you're saying about the collective bargaining process. However this has been very much brought out into the media, of course yesterday and today, including the Finance minister suggesting that this was not to be through attrition or layoffs. But if, essentially if this target wasn't found, then they could be looking at layoffs, which sounded very much, as I stated today, sounded like a threat. And certainly that is how a number of employees took that, including people who have, you know, been phoning very upset about that.

So if these targets can't be found, if the 3.5 can't be found in voluntary reductions within existing or open contracts, what then? What happens?

Hon. Mr. Morgan: — You know, you're talking about a chain of events that may not take place. And I'm certainly not prepared to speculate on what-ifs. The target we have came from public sector bargaining. We understand there's a target there, and we want to work to find those solutions.

Ms. Beck: — What is the education portion that is expected to be found for those reductions?

Hon. Mr. Morgan: — The sum of money across all of the public sector is \$250 million. It has not been assigned so much to Education, so much to Health, or so much to any other ministry. That's what it is all the way across. And that's one of the reasons we need to seek some more clarity before we go back to our employer partners.

Ms. Beck: — So where did that number come from then, if there wasn't a certain amount assigned to individual ministries or certain number of employees?

Hon. Mr. Morgan: — I think that's a question you might want to put to the Finance minister because I don't know that.

Ms. Beck: — Okay. One thing, last night when we were talking about child care, it was suggested that perhaps some of the lower paid employees might be exempt from this 3.5 per cent. Is that something that might be the case within Education as well?

Hon. Mr. Morgan: — You know, we're not saying that anything has to be across the board, or uniform. Most of the child care centres are not government employees. They're

independent third parties, so they wouldn't be subject to whatever. They would have a contract that's there. So you know, and I'm not going to speculate which employees should or shouldn't. I know you and I have taken that 3.5 per cent reduction, and I'm not saying it would be right to do it at a particular level or not a particular level. I think that's something that they would want to negotiate, have discussions about.

Ms. Beck: — With respect, Minister, you know my ability and your ability to take a 3.5 per cent reduction might vary very greatly from someone who is, you know, barely making or not making poverty-line wages right now. So I would suggest to you that some employees might be in a different position to be able to absorb this type of a reduction.

Hon. Mr. Morgan: — I would probably agree with that, and for that reason I'm not going to speculate on how that might be applied. I've indicated, you know, people at the level of pay that you and I receive are certainly expected to do it, and I think it's a good symbolic gesture that we were willing to do that. However, how we meet the target, it's expected to come from the . . . As you're aware, employment costs are the biggest expense item in government, and we need to look at what we can do to try and meet that target.

Ms. Beck: — I would suggest again, you know, the parallel between MLAs and our compensation. We enjoy a certain amount of job security, at least for four years, or I suppose three years at this point, in a way that people who work in the sector right now do not enjoy. In fact there is a lot of concern about what this means in terms of reductions. Again the context of this 3.5 per cent reduction is on top of the context of school divisions that are finding, you know, in some cases up to 8 per cent reductions in their funding in the case of Chinook.

I know Regina Public and Saskatoon Public are in board meetings tonight looking at budget measures with a 9.5 reduction and \$11 million reduction respectively. So I would just suggest to you that that's not perhaps a . . . You know, yes we did take the 3.5, but this is a whole different thing that we are asking people to do here within the sector, and there have also been considerable pressures on the sector. This isn't just the first year that we've looked at pressures within the sector. So I would suggest that those are two, two very different things.

Hon. Mr. Morgan: — I don't want you mistaking the things, I don't want you to infer that because I said you and I took it, therefore everybody else can. What I'm saying is you and I, we're capable of having that reduction. Maybe not everyone else can nor maybe not everyone else should. What I'm saying is we should show leadership on having done it and we should look to the people that negotiate contracts on both sides, the employer and employee sides, to see whether they're able to do things that help us meet that target.

Ms. Beck: — Okay. So again, I am trying to seek some clarity here, but it is difficult given the context. I have a letter in my hand that states on April 3rd, and I'll quote some from it that:

. . . the need to immediately commence negotiations with employee groups leading to an expected reduction in total compensation . . . with no increases for the subsequent three years.

Which we haven't even touched yet, which this is not only a minus 3.5, this is minus 3.5 and then three zeros, which certainly will be significant to those who are required to take this, and is not what we are required to take at this point.

And it's clear that you'll be expected to “. . . engage in direct negotiations with the bargaining agents . . . [and that this] work commence without delay and . . . urgency.”

And further that this 3.5 per cent reduction:

. . . is to be achieved through negotiated changes in total compensation and cannot be achieved through further reductions in staff levels, capturing attrition or other costs beyond what is required to meet operating grant targets.

Again that's that minus three.

So what is the clarity now on that? How is the reality different than this letter?

Hon. Mr. Morgan: — The clarity is, I met with the president of the SSBA late this afternoon and said, we will give you some further direction as we go along, that there was mistakes in the letter. Don't act on the letter; please wait till we give you some clarity.

We've gone back to public sector bargaining and said, give us some help, some assistance, and some very clear direction so that we can go to our public sector employers and work through this together.

Ms. Beck: — But where did the information in this letter come from?

Hon. Mr. Morgan: — The letter is wrong. I'm the minister and I'm responsible for it.

Ms. Beck: — It came from you.

Hon. Mr. Morgan: — I said the letter is wrong. I'm the minister. I am responsible for it. I didn't read the letter, but I am responsible for that letter. The letter is wrong. I've gone back to the SSBA and said, do not act on this letter.

Ms. Beck: — I mean, it's a very specific letter with very, very tight timelines, very strong timelines and there . . . Now you've indicated there was some verbal conversations with two members of the SSBA, the president and the vice-president, and they can expect some written clarification from you. Is that the case?

Hon. Mr. Morgan: — They can expect a clear direction. These are the people that have to negotiate on behalf of themselves as the employers and on behalf of government as their funding partners. So we have to work with them so that they've got a clear mandate and a clear direction as to what parameters they can negotiate in.

These are all people that have negotiated contracts numerous times before, so it's a matter of saying, okay what is the mandate? What is the mandate, where do we go, what do we want to do? Doing something where you're negotiating between

cycles is different, something that is not ordinarily done but certainly has been done before. So we'll want to be able to give them that clarity.

But I want to assure you of this: we are not going to negotiate the contract here in the rotunda or in the Chamber. Those negotiations properly belong at the bargaining table, and we want to let the people that are the experts in negotiation and the experts in developing the mandate do their work.

[20:00]

Ms. Beck: — Two things. There's no attempt to bargain here, but there is an attempt to find clarity which is, frankly, lacking at this point.

Hon. Mr. Morgan: — No. What you're asking for is a specific position that could be used in bargaining, and what I have said is we've gone back to public sector bargaining and said we need to have some clarity so that we can give some information and a direction to our divisions.

Ms. Beck: — With respect, Minister, it is not just me who is looking for clarity. I believe that the president of the SSBA went on a 20-minute press . . . time with the press today that was broadcast seeking that clarification. That is certainly what we're hearing from employee groups and parents. Everyone in the sector would like to know exactly not, you know, the items at the negotiation but what are the parameters, what are the timelines here. This is incredibly concerning to people in the sector. And you know, I suspect to hear that there were verbal discussions, is one thing. But you know, I'm sure that they'll want to see this in writing and with some assurance. I mean, this is in writing as well and we're hearing that that is now no longer the case. Can you understand why people are concerned?

Hon. Mr. Morgan: — I can understand that. I don't wish to negotiate at this table, through members of the opposition, in the rotunda, or in the Chamber. The negotiations are properly done at the bargaining table, if the parties are willing to go to the bargaining table, and done with a clear mandate or a clear sense of direction. The discussion might be formal; it might be informal. I can't speak to that. But that is where and how the process will take place.

Ms. Beck: — Yet we have a budget that clearly states that there is a minus 3.5 mandate across the public service including for teachers. We have a Finance minister who was out in the rotunda yesterday indicating that, if you don't do it this way, then it could look like layoffs. So with respect, Minister, I don't think that, you know, this can all be laid on the opposition. This is a concerning issue that is capturing the concern and attention of people across the sector.

Hon. Mr. Morgan: — I'd like it not to be laid on the opposition or on the government. I'd like it to be negotiated at the bargaining table.

Ms. Beck: — So they will have some clarity around . . .

Hon. Mr. Morgan: — I'm the Minister of Labour as well.

Ms. Beck: — Right.

Hon. Mr. Morgan: — I don't wish to see anyone go to the bargaining table without a clear set of directions, a clear mandate, and some options that are available, some options that they can or might not put forward, so that they can work their way through it in a way that's consistent with labour negotiations.

Ms. Beck: — Okay. So this is one piece, of course, of this compensation. And then the LINC [local implementation and negotiation committee] agreements all being on different cycles, I'm not sure that we have fully addressed how those . . . Regardless of what's actually bargained in them, how do you ensure that those negotiations are equitable given the different varying timelines of when these contracts will expire?

Hon. Mr. Morgan: — The LINC agreements aren't equitable now. That's the reason why we think the LINC agreements should be changed so that there is some equity, that the significant cost items that are in the agreements would become part of a provincial bargaining agreement. I've had the discussion with the STF [Saskatchewan Teachers' Federation] that we feel it's something that needs to be resolved. Once again, they've indicated that it would be resolved at a bargaining table and that would be their expectation and that would be mine.

Ms. Beck: — And that they would have one common agreement?

Hon. Mr. Morgan: — If you want to meet with the STF and get yourself put on the bargaining committee, you're welcome to take a position or make a suggestion on it. I'm not.

Ms. Beck: — I do believe that there is . . .

Hon. Mr. Morgan: — And I'm sorry. I don't mean to sound flip or whatever or argumentative, but I'm not going to engage in, would you do this, would you do that. What I'm saying is, the status quo is not a good status quo. If I was a teacher, I wouldn't be happy if somebody in the next division over had significantly more prep time than I did or a variety of other benefits in the same province-wide collective agreement.

So I think it's time that we looked at those and said okay, we have now joint schools. We've got teachers with different divisions working under one roof. Let's use this as an opportunity to have some discussion about what we can do with the LINC agreements.

Ms. Beck: — I guess with LINC agreements, there's an issue, I suppose, of equity. But there's also the issue, and how LINC agreements came about, to my understanding, is the ability to deal with local conditions. So for example, if you are a teacher in an urban school with 40 students, teaching the same subject, that might look very different than your needs being someone who teaches in a rural school, three different grades, a number of different subjects, things, how much time you need, recognition for extracurricular activities, for time off and things like that. So my question was less about equity and more around uniformity. Is that the goal within the LINC agreements?

Hon. Mr. Morgan: — Some of the people have made the

comment that there are more disparities or more differences as to how the agreements within a division than they are between divisions. I think you could look at Prairie Valley. You've got, you know, White City and some of the larger centres and then you get out to some very small communities. So there's a lot of differences that are there. And I think that might be the type of thing there might be discussion on is the size of the school, the expectations on extracurricular work that's there, what the prep time might be for different grades or different subjects. And I'm not close to those issues, but I know the disparities are there and think it's appropriate that we should have some consistency and some equity.

Ms. Beck: — Who has the authority to bargain those LINC agreements, I guess, is part of the issue here.

Hon. Mr. Morgan: — At the present time, they're bargained at a local level. I think the discussions that I've had are that we want to move them to a provincial level. I'm not sure what the timeline might be for doing that or how that might look like. But it certainly, we feel that it's appropriate to try and deal with the inequities that are there, and it's something we hear from some teachers.

Ms. Beck: — Right. So when we're on the subject of finding savings or cuts within the sector, something that was mentioned last night was, I believe we were talking about the ed sector plan and the fact that the initial goal of \$5 million in targeted savings had been surpassed and that now there's a new target for \$60 million in efficiencies. When is the target to find those efficiencies or those savings?

Hon. Mr. Morgan: — I think the \$60 million is a cumulative figure off a broader period of time. That's by 2018 and that's a cumulative . . . [inaudible interjection] . . . '19 rather, and that's a cumulative figure.

Ms. Beck: — So that goes back to 2014 cumulative?

Hon. Mr. Morgan: — Yes.

Ms. Beck: — So I understand that . . . I wasn't there, but in the scrum today that when you were talking about finding this additional 3.5 that you had mentioned that there could be additional savings in bussing and administration. Isn't that what's considered under that \$60 million in efficiencies? My understanding was this minus 3.5 was separate from operational. This was on the HR [human resources] side of things.

Hon. Mr. Morgan: — I'm not sure what the question is that you're referring to in the scrum. The 3.5 target that came from public sector bargaining is a compensation reduction. We're asking the divisions to work with us, and we've structured some committees with the CEOs [chief executive officer], with the directors to try and identify the different areas where we could find savings, the different areas where we want to have regulations exist, how governance might be going forward.

And I'm going to let Donna Johnson give some particulars on that. We know that one of the ones that we . . . You know, we have sort of a number of things that we list every time we have the discussion which deals with common bargaining, common

IT [information technology], and a variety of things where there's essentially shared services. We talk about the number of administrators within . . . And we saw I think an interesting example of that with Chinook saying, oh well, we can have 25 administrators that will work in a classroom now. And I'm not criticizing the work that they did before, but I'm really pleased to see that there was a commitment from Chinook to put people in the classroom.

I'll let Donna Johnson give you some background on what the four committees might look like and what type of work they're going to do.

Ms. Johnson: — Okay. So just hold on one second. All right. As Minister Morgan has indicated, the ministry's done a significant amount of work with the sector over the last four years since we established — and when I say we, I mean the ministry and the school divisions — since we established the sector plan itself. And it was, I think, a good . . . It was an excellent opportunity for us all to work together and to find the best practices and to expand them across the sector more so. Because we've always known and we've always had the opportunity to hear these stories, these fabulous things about the wonderful work that's being done by individual teachers or individual schools or individual school divisions, and we knew that if we were able to capture that information in such a way that we can take it and expand it and make it province-wide, that we would be able to achieve our graduation rates. We would be able to achieve the efficiencies that we're looking for, and so on.

So, you know, the relationships that have been established through the sector plan between the ministry and the school divisions has really gotten us to a spot now where we can look back on some of the progress we've made but also recognize that there's lots of opportunity yet for even more improvement. So on the . . . When we went through the governance work with Dan Perrins and with the panel, the report that Dan developed indicated that there were a number of areas where there could be some improvements made, and then when these concepts were discussed with the school divisions during the work of the panel, by and large the school divisions agreed with those concepts or those ideas that were put forward in Dan's report.

So when I talk about that, I'm speaking or I'm referencing specifically pages 20 and 21 in the Perrins report, where he talks about the shifts in governance that he could see happening before he even looked at particular structural options. And as I said, when we talked with the school divisions during the panel reviews, you know, they for the most part did agree that for instance, on page 20 of Dan's report, that there should be a redefinition of the roles of the minister in legislation and regulations; that there should be some work done to look for additional efficiencies; that they were all eager for the opportunity to work together to find these efficiencies and that the efficiencies could come from things like standardizing the administrative costs, and you know, including the review of a potential provincial pay grid for our out-of-scope members in the school divisions; and also looking at things like the standards for the number of the central office staff versus the school-based staff. So those are the things that will be pursued by the working groups that are just now getting under way.

[20:15]

I think we may have mentioned earlier that shortly after budget day — I mean budget day was March 22nd — on March 24th, we had a meeting with all of the school board Chairs, the directors of education, and the CFOs [chief financial officer] to essentially kick off this work that would be implementing those shifts in governance that were described on the Dan Perrins report. And that we were going to go about that in a way that was similar to how we worked together in the development of the sector plan and also similar to the way that a group of five school divisions worked together with the ministry to get the joint-use schools developed and moved from concept to design and construction to now getting into that spot where pretty soon the schools will be complete and occupied.

So to that end, what we have is an organization or a framework, I guess, that will have strategic issues. Committee is what we're calling it but it's the collection of the board Chairs and it's the opportunity for the board Chairs to come together with officials from the ministry to see what progress each of the four working groups are making. And I'm describing this framework from the top of the pyramid, so to speak, working my way down.

Then we'll have a steering committee which is comprised of people from the ministry from the Deputy Minister's office and from each of the associations, so from the SSBA; the Saskatchewan Association of School Business Officials as well, so SASBO; and from LEADS [League of Educational Administrators, Directors and Superintendents]. And then we have Liam Choo-Foo, who's our project management officer or chief project officer, and then the four working groups.

So the four working groups are going to be looking at, first of all, at the drafting of the education regulations that will go along with Bill 63. The second working group is going to be looking at the education sector purchasing and services. The third is looking at organizational design and staffing. And the fourth is looking at the structural governance changes.

So when we look at each of these, I think the first one is fairly self-explanatory being education regulations. The second one again fairly self-explanatory there as well, but that is essentially all tied back to looking for efficiencies in the system. So most likely going to start by looking at procurement opportunities because those are the sorts of things that are easiest for everybody to wrap their heads around. But ultimately, it can be a working group that would also be looking at financial systems that could be procured common for all school divisions, payroll systems, IT systems.

We're currently looking at the student information system because we know that that's one of our systems that's first and foremost for many of our school divisions. A couple of them are already looking at replacing their student information system. And then, I mean there'll be any number of other projects that could come through that working team particularly as the opportunities arise.

On the organizational design and staffing team, we are going to be looking at things like again the out-of-scope staffing grid. We know that when we look at the compensation scales and the benefit packages for all of the out-of-scope employees, while

some variation is obviously reasonable because not every job is identical, when you go from one school division to another, the variation that we're seeing right now makes us wonder if it's all appropriate given the job responsibilities, or if some of it is there simply because of the differing negotiating skills that the individual parties may have possessed. So it's time to take a look at that and see what opportunities there are to take that range from out here to maybe a little closer in.

Same sort of thing with looking at some of the administrative policies that school divisions might have related to, you know, basically anything that has a dollar figure attached to it, quite honestly.

Ms. Beck: — Thank you for that. So a few questions, a few comments about that.

I guess the first thing that I want to note is there was a characterization of an eagerness within the school boards to find some of these savings, and part of that eagerness was the fact that there was sort of the threat — might not be the word, but that's the only one that's coming to mind — of appointing trustees and moving to a single school division up to and including. So that was sort of, I think is important, that context in terms of their eagerness.

Certainly the ed sector plan, there is support for that and collaboration was . . . The use of relationship and then collaboration had played a big part in coming to those goals and having some broad-based support throughout the sector. But I don't remember anywhere in the Perrins report or any of the submissions that I read — and I didn't provide one I suppose — but any of those submissions that noted that there was a desire to see the powers of boards taken out of the Act and into the regulations. So I'm just wondering why that decision was made.

Hon. Mr. Morgan: — The Perrins report made the recommendation that more powers or more control should best within the ministry. We accepted that at face value and that was the purpose of wanting to move it into regulation so that we could meet with, work with the divisions, and identify how we would have an appropriate division of partisan. There seemed to be reasonably good support for that aspect of the Perrins report. I understand right now that the divisions are now sort of saying, oh well we're not sure what this going to look like. So I appreciate the position that they're in right now. We'll want to have further divisions with them and be able to try and give them some comfort that the role that they have can and should and will continue.

We wanted to avoid some of the things that have happened in the past where . . . And I'll give you a quick example. We had one situation where a director was terminated, a new director was hired, and then some of the board members were away. The board was divided. They rehired the original director. So now they're paying severance to the first director, salary to the first director, and salary to the second director. So those type of things can't continue. The realization that there's costs to those decisions that aren't . . . that ought not be borne by the taxpayer. So you know we say it, we've said it before, we don't wish to run schools or school divisions. That's what the boards were elected to do; that's what we expect them to do. So we'll want to give some clarity to them as to what their roles are.

Ms. Beck: — It seems rather extreme measure, to deal with one instance, to completely pull the powers of boards that are now mandated by an Act that's protected, and to be changed has to see the light of day, and pull those powers into the regulations that can be changed by order in council. And that's certainly what I'm hearing from people in the sector as well.

I do have a couple of questions. The Perrins report . . .

Hon. Mr. Morgan: — You know, I gave you one example. I don't want to sit here and point fingers at divisions that, you know, have taken trips or whatever else. But when you go through the different submissions that came from the divisions, they were, generally speaking, supportive of it. Now as they're getting closer, I understand the unease that they might have.

Lloydminster Public:

We would welcome changes to legislation and regulations that would give greater clarity regarding Ministry standards and expected outcomes. Our neighboring province has achieved significant student achievement through strategic direction and the use of data . . .

And then it talks about going on and talking about finances and a high level of financial accountability and student learning.

Northwest School Division: "Strategic direction and accountability — Changes in legislation — setting outcomes and standards — Do it!"

Ile-a-la-Crosse:

. . . simply reducing the number of boards will not produce enough savings to make the turmoil it will cause worth the . . . Governance costs could be lowered in other ways, some of which might be set at the provincial level. Hopefully, numbers will be crunched before any province-wide initiatives are launched."

Which is exactly what's taking place now.

Then Northwest: "As trustees we would welcome provincial guidelines (or regulations) that would establish fair and equitable rates for remuneration and for expenses while conducting board . . . [expenses]."

Prairie South: "The Board of Education . . . stands ready to continue to partner with the Government of Saskatchewan as we pursue the ideals presented in the Educational Sector Strategic Plan . . ." Then it talks about the relationships.

And then Prairie Spirit takes issue with having two school divisions because we have a public and a separate.

Ms. Beck: — So these comments were taken to mean that what boards were wanting was to have their powers taken out of the Act and put into the regulations. Am I hearing that clearly?

Hon. Mr. Morgan: — Well when you read the Perrins report, those are the words that they used, is legislation and regulation and . . . [inaudible] . . . What I want to do is be able to make sure that the SSBA and the trustees understand what . . . that

their role continues, that we don't wish to become involved in the day-to-day operations, but what we do wish to do is set a pay grid. What we do wish to do is say, okay, this is reasonable compensation for trustees. What we do want to do is be able to say, okay, you don't hire and pay for more than one director at a time.

We want people to make good decisions that commit resources to the classroom, and we want to make sure — and this is what's really important to us right now — is that the trustees understand that they have a role, that we will make whatever commitments we need to do to make sure that they have a comfort level going forward.

Ms. Beck: — If this bill is passed, what would be retained as trustee powers that couldn't be wiped out with an order in council?

Hon. Mr. Morgan: — We'll have those discussions with the trustees.

Ms. Beck: — But this is in the bill. I'm talking in the bill, not the regulations. What would remain in the Act that . . .

Hon. Mr. Morgan: — If you look at the Act, there's a lot of things that remain in it. The Act is several hundred sections long, so we'll work our way through. And the things that are in the regulations will be the things that are important to trustees because those are the things that will make sure that they have the control over the things that they need to have.

Ms. Beck: — But you will have the ability . . .

The Chair: — Just a second. I'd like to remind members and the minister that there is a bill before the House that can be debated there and it's not part of the estimates. And as well at this time, we will take a five-minute recess. Thank you.

[20:30]

[The committee recessed for a period of time.]

The Chair: — Order. The committee will now reconvene. Ms. Beck, you have the floor.

Ms. Beck: — Thank you, Mr. Chair. I'd like to go back to the four working groups that were noted. Has there been . . . What is the budget set aside for these working groups? How much will this process cost in terms of . . . and where do we find that in the budget estimates?

Ms. Johnson: — There isn't a particular line item for it in the estimates. It's a cost that will be borne in a number of areas, including the deputy minister's office. It is essentially work that will be done with the resources that we've always had. The only real incremental cost that we're absorbing within the ministry, if hopefully that makes sense, but the only incremental cost we have is associated with the secondment for Liam Choo-Foo, his salary and benefits.

Ms. Beck: — Okay. So the per diems or travel or anything like that, that's being absorbed?

Ms. Johnson: — We expect to keep that to a minimum. I mean, certainly there will be some face-to-face meetings, but we do expect that we'll be able to hold as many meetings as possible using technology, using . . . whether it's audiovisual conference calls or just audio conference calls. But we'll be using our technology to the maximum so that we can reduce the amount of travel that's required for getting the work of those committees done.

Ms. Beck: — And will there be any expenses for boards, for travel or staff time? Will anything be allocated for that?

Ms. Johnson: — As we explained to the sector group that we had assembled on March 24th, what we are going to do is piggyback on meetings that are already in place, the regular meetings that are already in place. So for instance I mentioned the strategic issues committee previously, which would be the board Chair council. The board Chair council currently does meet three or four times a year, so this will be a standing agenda item on their meeting. And in between meetings where there's a need for an update or a need for input, we'll be setting up conference calls to meet that need.

Ms. Beck: — So am I clear in understanding that one of the objectives of this working group is to have input into the drafting of the regulations?

Ms. Johnson: — That's correct.

Ms. Beck: — And when is that work expected to conclude?

Ms. Johnson: — That work is getting under way immediately and it will carry on until the regulations are drafted. So we expect to undertake a good portion of that work between now and the end of May, but it'll continue through June and into the summer if need be to get the regulations drafted.

Ms. Beck: — Okay. So this Bill 63 is a budget bill. I'm just going to look at the introduction of it here. And the reason that it is a budget bill is because directives concerning sector efficiencies will have an impact on school division operational funding in this budget. What's the extent of those sector efficiencies that are expected to be realized upon passage within this budget?

Hon. Mr. Morgan: — I don't think, given the comments made by the board Chair, we want to talk about what the bill is. But you have the budget line items in the budget Estimates book.

Ms. Beck: — So there isn't an amount attached?

Hon. Mr. Morgan: — The budget estimates would flow from a number of different sources, and I think you're entitled to ask questions about the budget estimates.

Ms. Beck: — Right. But there is a reason that this is included here, and we've had conversation about it. And what I'm asking is not necessarily all aspects of that bill except for the monetary implications that are realized in this budget.

Hon. Mr. Morgan: — I think the best way that we can answer that is by saying that we have a budget that we've been put forward that certainly recognizes the challenges and the fiscal

challenges that the province face, and that to meet that, we will have to look to our sector partners to work with us and look to a variety of cost-saving measures as we go forward which will be the ones we've mentioned before. And the things that are in the budget bill will be able to allow us to make sure that those changes are implemented.

So it's the things that are in the budget bill that we will require the specifics to be implemented such as the salary issues, salary grid that we've talked about such as the common buy-in. So I'm not able to give you a dollar value as to which ones are specifically attributable to the bill or which ones are by way of policy or which ones are maybe . . . way of regulation is that they stick together. They're essentially a common package.

Ms. Beck: — I guess what I'm asking is what is, you know, all of those together, the overall impact on this budget?

[20:45]

Hon. Mr. Morgan: — The total budget is 2.02 billion. There's approximately \$1.8 billion in operating, and those are all from the line items that are in the budget.

Ms. Beck: — And I don't think what I'm asking is an unreasonable question. What I'm asking is, it's noted here right on page 9 that, "Such directives concerning sector efficiencies will have an impact on school division operating funding and in turn . . . [on this particular] budget." I would assume that's in vote 5.

Hon. Mr. Morgan: — The budget book speaks for itself. The items that lead up to the vote are there, so yes.

Ms. Beck: — Would it not be very difficult to craft a budget without knowing how much you were expected to save there?

Hon. Mr. Morgan: — We don't know how many things will come about by way of things happening with or without the support of the divisions, how many things would have to be mandated, and we want to make sure that those things do happen.

Ms. Beck: — I guess what I'm asking is though, you know, there must have been some assumption made in the crafting of this budget.

Hon. Mr. Morgan: — I think the budget has a total sum to it, and I think this was one of the tools that would get to the sum. And I don't know whether . . . I think it would be a challenge to say this much relates to this particular section or which one it doesn't.

But I can tell you, you know, we don't want to have divisions that are paying for more than one director at a time. We don't want to have a situation where we have school divisions suing each other, which we have right now, and going on year after year with litigation between public and separate school divisions.

I don't think you nor I want to see those things continue. If the outcome of the Theodore School case, which I'm sure you're aware of, comes down, I suspect one side or the other may wish

to appeal. I don't wish that appeal to take place with taxpayer dollars, nor do I wish to take place with it at all. I don't see that there's an outcome of that that will satisfy anyone, even if it goes all the way to the Supreme Court. Nor do I think that it is going to provide any additional clarity or benefit to either the public or the separate school division, but I see it as a huge cost.

So I think those are the type of things that we would want to see the legislation and the regulations be — as tools so that we can deal with those issues.

Ms. Beck: — So this is about the ability to sue? I'm a bit confused. My question was about the monetary implications.

Hon. Mr. Morgan: — Yes, money goes to school divisions. School divisions say, we don't have sufficient funds for . . . or they're arguing they don't have sufficient funds. And you know, we want to commit money to classrooms, but yet we have hundreds and hundreds of thousands of dollars, if not millions, being tied up in multi-year pieces, a piece of legislation between a public and a separate school division. And I'm sure . . . I don't know whether you're aware of the circumstances of the case or not.

Ms. Beck: — So that is the reason?

Hon. Mr. Morgan: — You keep saying, why is it? And then, you know, I gave . . .

Ms. Beck: — Well I'm trying to get at the reason. And I'm very cognizant that I've been asked, now that you're talking about the reasons for this bill.

Hon. Mr. Morgan: — I gave you an example with paying multiple directors. I gave you . . .

The Chair: — Order. One at a time, please.

Hon. Mr. Morgan: — I gave you an example of a piece of litigation. We also know that we have some divisions that have large use of people travelling to conventions and meetings out-of-country. I think you and I have limits on what we can do by way of travel. We have a process for approval. When I was on the Saskatoon Public School Board, we approved our own expenses. We didn't have to go to the board Chair. So I think that level of accountability should exist.

And I'm not saying that school divisions, trustees by and large are bad people, because most of them are very good. They're competent, professional, hard-working, try hard. But we want to make sure that when situations arise . . . [inaudible] . . . then we can say, oh, school division X, this is something that's not right, or a trustee, whatever, so that we would have those . . . [inaudible] . . . And that's something that we heard from the Perrins report. Those were the type of issues that Dan Perrins heard and that was why he made the recommendation that that should be there.

Ms. Beck: — So those trustees are accountable to those people who elected them, and that that is one form of accountability. And certainly that is the accountability that all members here have, and there are some parallels there.

Hon. Mr. Morgan: — We fund them. We need to hold them to account every year by posting trustee expenses, by posting trustee . . . So we need to do it on an annual basis, not once every four years. We want to make sure the public knows. And we are the ones as a province that is responsible for paying those costs, so we want to make sure that it meets with the recommendations and requirements of the Provincial Auditor. We want to make sure that we're giving good value.

And the Provincial Auditor does audits regularly on a handful of school divisions every year. They've gone in and they've said, oh, this school division does not have a good method for dealing with capital renewal or capital replacement. They don't have a good itemized list. They have things on their list of things that they're asking for that they need that have already been dealt with. They don't have a good method of identifying the ages of the different components of construction in their buildings.

So every year we get a handful of the recommendations from the auditor, so we want to be able to say to the divisions, have you dealt with the auditor's recommendations? I don't speak for the auditor. But I do think, as a province, and I do think on behalf of the taxpayers of the province, we should be able to say to the divisions, what are you doing with the Provincial Auditor's report? You get them as well as I do, so you would know the type of things that are in there, that they don't have a good method of controls for this or good method of controls for that.

Another thing that the auditor mentions regularly is that we're not taking, as a province or as a ministry, that we're not dealing adequately with seeking good student outcomes. So we'd like to be able to say to the divisions, what is your method of meeting the . . .

Ms. Beck: — You can't say that through the ed sector plan. I thought that was the point of the ed sector plan.

Hon. Mr. Morgan: — That's what we'd want to be able to say, is the Provincial Auditor has said that. Can we do anything to increase that? Are there steps that we need to take? So in any event, in simple terms, Dan Perrins raised the issues. He consulted on the issues. The panel went out. And the panel comments, I've read some to you. I can give you the list. Most of those were from divisions. So we want to be able to now go forward, work with the divisions, tell them what the regulations might look like, and make sure that we have a good plan going forward where we can say, let's work together. Let's identify what is in the best interests of our children, and go forward with that.

Ms. Beck: — You mentioned the Provincial Auditor a number of times. And certainly the Provincial Auditor makes a number of recommendations across several levels of government, and some of them are complied with in a timely manner and others aren't. Is this something that she, that her office had flagged that this was an issue? Like you mentioned out-of-country travel costs, for example. Is there a dollar amount attached to those travel costs?

Hon. Mr. Morgan: — I'm not going to even speculate on what the dollar costs are or are not. But I think as a member of the

public we should all say, no if you're going to an out-of-province thing, if you go in large numbers of people and it's largely done on an annual basis that X number of people from a specific school division go, we should be concerned by that. We should be able to say to those people, you shouldn't do that. It's wrong. Don't do it.

Ms. Beck: — [Inaudible] . . . at the ratepayers meeting or at a public school board meeting or by, you know, there are elections held every four years. I would submit that this is not the only measure to hold boards to account.

The Chair: — Order. Order. Order. Once one of the individuals is talking, would the other please stop interfering or interjecting? While a conversation type of meeting is nice, it's really not appropriate for committee work. I recognize the minister.

Hon. Mr. Morgan: — Ms. Beck, if you want to be on record as those are the only tools you wish to use to ensure that we get good value from the boards, state that that is your position and we'll certainly relay it to people.

We feel that, given the history of what's taken place, where we've gone back to divisions year after year and said, we don't think you should do this; we don't think you should do that, we think we need to have some additional tools to make sure that they comply with the requests of the Provincial Auditor, that they make sure that there is good accountability. And on that you and I may agree to disagree.

Ms. Beck: — My mike is on now. A few places that I suppose I want to go, but I'll go back to clarity and accountability since we're on the topic. And I know that you have indicated that you don't want to get into the details of how that letter was written, but it is a very specific reversal and it came after the letter was released to the media. And I'm again referring to the mandate letter that went out to boards, not even the same day that it was released to media. It came out a day after. And so I guess what I'm wondering, the deadline had passed on April the 7th, and you had stated that there were no templates submitted by boards.

Hon. Mr. Morgan: — I don't know that to be true. I can't speak to that. All I can say is that we've indicated to the boards, don't rely on the directions that are in that letter, that we need to give you some more specifics and some more clarity with the path that you take going forward.

Ms. Beck: — So when the letter went out, were there any boards or CFOs or anyone within the divisions that phoned and asked about it, asked for clarity on it?

Hon. Mr. Morgan: — Yes. Yes, some of them had said, we need some clarity. Then we looked at the letter and said, yes we need to do this. Around that time, it became an immediate issue.

The fact is the letter was wrong. The letter contained misinformation. So we're asking the divisions not to act on the letter, the general message that the three and a half per cent as a target is there across the province-wide public sector employment.

Ms. Beck: — But when did you become aware that the letter was wrong, that this letter had gone out and it was in error?

Hon. Mr. Morgan: — I don't know. I can't answer that. All I know is the letter was wrong. The Finance minister spoke to it yesterday, and I spoke to it today. The letter is wrong. And I'm the Minister of Education; I'm responsible for having any letter. I didn't read it. But the letter is wrong, and we need to take a different path.

Ms. Beck: — You stated that you didn't read it, but what I'm asking is when you became aware of it? Because I know that you spoke to the media today after the SSBA did a scrum.

Hon. Mr. Morgan: — I don't know when I first became aware of the issues with the letter. It would have possibly been sometime yesterday. I don't know. I know the letter is wrong. We need to do a better or different job of giving the message to the divisions as to what we expect of them.

Ms. Beck: — So when the divisions read the letter though, I know that a number of divisions have indicated since that they had significant concerns about the direction in that letter. When were you made aware that they had concerns about that letter?

Hon. Mr. Morgan: — I don't know. The letter had gone out, so divisions said, we're having difficulty with the three and a half per cent. We need to talk to you. And none of them said, well we have trouble with this aspect or that aspect of it. They said, we have issues with it. When we became aware and looked at the letter, we realized the letter was not the direction that came from cabinet, and so we want to correct that.

Ms. Beck: — I still don't have a sense of clarity in terms of what the timeline was here. At some point, boards got this letter, presumably. I don't know if it went out electronically or if it went out in paper form, but they got it some time after the 4th. And they were upset about it or had some concerns about this, how specific the measures were, the parameters. And you have indicated those phone calls did happen after boards received the letter?

Hon. Mr. Morgan: — I had communication with boards, yes. I know I had . . . There have been discussion from probably before the letter went out that we had a three and a half per cent target to meet so that was sometime before the . . . [inaudible]. So I don't remember the timeline. I know the Finance minister has talked about a three and a half per cent target for a long time, so the letter was to give effect to that. The letter was incorrect, so we're going to amend our directions.

Ms. Beck: — The Finance minister had some specifics about it at least, as soon as yesterday or as recently as yesterday, and I'm not . . . What I want to know, I guess, if it was before that that you were aware? Because he mentioned that he was aware of those parameters. I really would like to know when you were aware of the specifics in this letter.

Hon. Mr. Morgan: — I don't recall when I became aware of the specifics in the letter. I can tell you this: the letter is not correct. The letter and the direction to the people within the divisions needs to be amended and some clear direction needs to be given.

[21:00]

The Chair: — I recognize the member for Saskatoon Centre.

Mr. Forbes: — Was it because of the media that you became aware of this? Because it seems you can't recall. We all agree that letter is wrong, but over this past week you can't remember at what point you figured out that it was wrong. Was it because of media?

Hon. Mr. Morgan: — I don't remember whether it was from conversations I had with the Finance minister, and I'm not going to speculate. All I know is the letter was wrong and needs to be corrected.

Mr. Forbes: — Yes, but again, you know, I think my colleague's been really trying to get some clarity around the past week. This wasn't a letter written a couple of years or six years ago, a letter written by one of your staff. And I appreciate you're taking full responsibility. The Minister of Finance clearly knew about the letter and was fully ready and prepared yesterday afternoon, but you don't remember at what point you became aware of this letter?

Hon. Mr. Morgan: — I knew that we had given direction to the divisions to work towards the three and a half per cent target. The letter would have been intended to give effect to that. So I know the letter had gone out or a letter had gone out. I didn't read the letter until sometime probably yesterday morning or the day before. I don't remember the exact day when I realized there was issues with the letter. The letter is problematic and we need to correct the letter.

Mr. Forbes: — And I have to say, Mr. Chair, coupled with the new bill, the budget bill we have before us, and this is the . . . You've talked about how you're going to provide better management in the province and yet you can't remember a letter and when you became aware of that letter in the last week? And you're going to manage all the school divisions in the province?

Hon. Mr. Morgan: — Well I'm not going to make apologies or excuses other than saying I'm the Minister of Education and I'm responsible for what happens in the ministry. I can tell you that I wasn't aware of the particulars of the letter when it went out. We expect our officials to deal with the ongoing day-to-day operations, to deal with those things. But the letter is wrong and I'm responsible for it.

The Chair: — I recognize Ms. Beck.

Ms. Beck: — Thank you. And I appreciate that the minister is saying that he accepts responsibility for the letter, but after it came out in the media, and now is saying that he wasn't aware of it. This wasn't direction that you provided. Am I taking that to be the case?

Hon. Mr. Morgan: — That's correct. The direction was that we need to find three and a half per cent across government employment. That was the direction that came from cabinet. We need to work with how that is to be attained and that means working with the officials within various ministries to do that.

Ms. Beck: — Those were very specific parameters that were . . .

Hon. Mr. Morgan: — Yes, they were.

Ms. Beck: — So I just wanted to clarify one other thing. Were there any templates that were submitted?

Hon. Mr. Morgan: — I'm told by the officials that there were.

Ms. Beck: — There were?

Hon. Mr. Morgan: — Yes.

Ms. Beck: — How many?

Hon. Mr. Morgan: — They said about half, is the note that I've got. I haven't looked at them, and I don't know what, you know, how we would work with them; I mean, whether we go back to them now and whatever else. I'll leave that to the officials to try and work with those people to make sure they've got good information.

Ms. Beck: — And just to clarify again, the officials at the board level and out in divisions will receive some written instruction, some written clarification. I don't need to know what's in it, but they're . . .

Hon. Mr. Morgan: — They will have to receive some direction as to how they go forward. Whether it comes by letter, by email as a result of a meeting, as a result of presentation of a slide deck, I'll leave that portion of it to the officials. But I think what we owe the officials in the divisions is some clarity, some specific direction, some tools to work with, and some options that they're entitled to put forward that don't conflict with other things that are taking place in the public sector. And I look forward to those taking place.

Ms. Beck: — And I do think that the officials within the divisions are all but begging for that clarity frankly, Minister, at this point; in fact, quite strongly have been asking for that clarity.

Hon. Mr. Morgan: — If I could . . . We may not agree on a lot of things on this, but the need for clarity on that, I couldn't agree with you more. When shortly . . . You know, around the time the budget came out, I had some discussion with SSBA. How does the three and a half per cent apply? Does it apply to us? My indication to them verbally at that time was it likely will, but we'll give you some direction, we'll give you some clarity. And to be frank, we haven't done that in an adequate form, and we have to do it.

Ms. Beck: — And again, as I noted yesterday and characterized, you know, this lack of clarity, lack of direction, changing of direction, lack of predictability has been something that's not just this year that boards have concerned themselves with, although it does seem to be escalated at this point.

And frankly this, you know, this change in direction and flip-flopping doesn't help, especially when boards are being tasked . . . I mean, at the same time, as you can imagine, they're trying to staff schools. They're trying to prepare budgets, They

have a very significant cut that they're dealing with, and now all of this on top. And certainly we can have a lot of empathy for employee groups who are also dealing with this and wondering about job security and rollbacks and those things.

Hon. Mr. Morgan: — I appreciate the point that you're making. You make reference to previous years and lack of clarity in previous years. We have done our best in previous years to make sure that we have given boards as much information as we can, subject to budget confidentiality. We have given them the budget information, the formula information, and done everything we can, while at the same time maintaining the flexibility that they cherish and we want to maintain for them.

So we don't say to them, these are the line items that you have to do or have to spend your money on. We tell them on the morning of budget day, this is what your budget is. We have them meet with the individuals. The individual CFOs meet with Finance or with our officials to make sure they know what and how it applies to them. And I think the officials do a very good job of trying to work through that with them each and every year. So I take some exception to lack of clarity, that this year has been a particularly challenging year because we have . . .

This year we have had the first Perrins report on the funding formula so that has to be applied and rolled in. So we had a lot of back and forth with divisions because we wanted to make sure they were comfortable with it. We said to the divisions, take this home. Work with it. Try the numbers. Try how it works with your students. Then we went back and forth, had further meetings with our officials with them so they understood how that worked. But that is just barely completed now. So that for them is a lack of certainty.

We also now have the most challenging budget that we have faced since we have been in government. So we have said to them, okay we're looking for 1.2 per cent reduction on the government fiscal year. How is this going to play out? We don't want to be prescriptive, but we want to make sure that the choices you make are the ones that are the best ones for our students.

So those are the things that we've gone to them and the flexibility that they need to ask questions, come forward with them. We want to work with them to give them the best information, the best options that we can. And on the three and a half per cent there's no doubt, we did not get the message out when and how we should, and we will.

The Chair: — I recognize Mr. Forbes.

Mr. Forbes: — Thank you, Mr. Chair. So now you can't remember in the last week when you first became aware of this, but the first you spoke about this in public was in response to the question in a scrum. Is that right?

Hon. Mr. Morgan: — That's correct.

Mr. Forbes: — So what was your plan then to talk about this? Because clearly this was in the public. The Minister of Finance was well aware of this and quite briefed and willing to make comments yesterday. What was your plan, if you weren't asked

in a scrum today?

Hon. Mr. Morgan: — Well I think any one of us would've talked about it. The Minister of Finance chose to take the questions yesterday because the direction for the three and a half per cent had initially come from Finance so he wanted to speak to it. I had no problem in taking the questions today to say we need to give some clarity to school boards.

Mr. Forbes: — So you let 24 hours go by with your sector, the education sector out there being listening to the Minister of Finance's answers where he was suggesting layoffs and opening up contracts and all of those things. 24 hours of one week . . .

Hon. Mr. Morgan: — I don't think he said anything that contradicts anything that I've said. What he did talk about was there is a potential for layoffs. There is. None of those things are desirable things. We talked about attrition. We talked about the various things, the various components that are there. He and I are in agreement that we have a target. We want to meet it, and we want to meet it in a careful and precise manner.

I've spent a portion of today working with our officials. I met with SSBA executive later on in the day and said we will get something to them that will give them a better . . . So we are working our way through it now as quickly as we can. It's a complex issue because we have to deal with Finance. We have to deal with the different officials in different ministries to make sure that we're able to do this in a method that's appropriate and want to take our time to do it properly.

Mr. Forbes: — So you both knew yesterday, and you let the Minister of Finance answer the questions. So did you know the day before? Did you know last week? Or was this something that came up Monday morning?

Hon. Mr. Morgan: — I think it came up Monday morning, you know, that there was an issue with the letter. I knew that a letter had gone out directing . . . [inaudible] . . . and I knew that some of the divisions had had a challenging time with it and had heard from them. And you know, then it appeared there was details in the letter that we didn't . . . weren't appropriate.

Mr. Forbes: — And half of them had responded with an answer, but you weren't clear because you hadn't read the letter. Now I have to say, we are having a lot of ministers who aren't reading their briefing notes. We have the Highways minister who doesn't like to read briefing notes, short as they are. I'm hoping you're reading your briefing notes.

Hon. Mr. Morgan: — I try and read my briefing notes and make a point of reading it. I receive a lot of briefing notes, and I ask the officials to make them short so that I'm able to read them and be ready to handle the questions that arise.

Mr. Forbes: — Thank you.

The Chair: — I recognize Ms. Beck.

Ms. Beck: — Thank you. Minister, I'd like to go back to something that you noted about the flexibility within the budget lines and something that was asked last night, but I'm not sure

we got the level of clarity on it. So there was an instance, a specific instance, with Regina Public — I'm not sure if it's happened with other boards — where they had announced some measures to deal with the shortfall, specifically the loss of two pre-K [pre-kindergarten] programs: the Discovery preschool program, a program for children with a number of issues, apraxia and autism; as well as some cuts to funding for the SCEP [socialization, communication, and education program] program, I would guess the tuition for the SCEP program.

And then it was indicated subsequent to that that their budget wouldn't be approved. And I think that there is some want of clarity there in terms of which decisions are they free to make and which are they not free to make with regard to finding these operational cuts within their budgets.

Hon. Mr. Morgan: — Those are particularly challenging for us because the programs are very good programs, worthwhile programs, but they're not funded as part of the funding formula. So Regina Public had chosen to fund those outside of the normal funding model and had for some period of time. We, of course, don't discourage them from doing that and in fact are pleased when they do. So in their desire to or, you know, need to come to a budget balance, they indicated a desire to do away with those programs. We disagree with that and want to have some discussions with them over the next while about how we can resolve that.

Ms. Beck: — But, I guess, what I'm trying to point out here is a contradiction in those two statements. The previous one where you noted that there was autonomy and flexibility within those board lines for boards to make those decisions and now an indication by you that they don't have the ability to make those decisions. I mean I don't think anyone would characterize this as a want-to-cut-those programs. These are very important programs. They're very much needed.

I will, you know, admit my bias off the top. I did my practicum at the SCEP Centre, so I'm well acquainted with SCEP Centre and the good work that they do. But that said, it's not an easy choice to find \$9.5 million within a budget that has already found efficiencies and efficiencies over a number of years. So I'm asking for that clarity because I think boards and the public are seeking that clarity. What are they . . . Where are they able to find these savings, and where are they not able to find them?

[21:15]

Hon. Mr. Morgan: — We want to work with them to find some options. We've had some discussions with them now, and we'll continue to work with them.

Ms. Beck: — So will you be working with all 28 boards? I mean, how does that work? I'm just wondering in terms of timeline and, you know, is there an overarching direction that can be provided to these boards or is it going to have to be submit cut by cut?

Hon. Mr. Morgan: — A lot of the programs aren't necessarily funded directly through the board. Sometimes they're delivered through a CBO that gets funded by the board or gets funded elsewhere. So when we had the discussion initially with Regina Public, they indicated that there was other boards that had

similar programs or might have similar programs. So we want to look at it on an across-the-province basis.

Ms. Beck: — I guess what I'm getting at is, is there autonomy of boards to make these decisions, certain decisions and not certain decisions with regard to where they find the funding cuts?

Hon. Mr. Morgan: — I would say that there's a partnership. We want to have discussion with them, and we want to work with them to try and say what we can do, what they can do, so that we arrive at an acceptable place.

Ms. Beck: — I guess the term partnership implies some balance of power, but what you're saying here is that if they don't make decisions that you agree with — even though it's the ministry that's asking them to make, in this instance, \$9.5 million in cuts — then their budget won't be approved. And they can't operate without their budget being approved.

So I'm asking a very specific question: is there a list or a direction that can be provided to boards in terms of what they can make decisions about and what they ought not to even consider because it won't be approved?

Hon. Mr. Morgan: — We will always work with the boards to try and deal with their budget issues. We will also try and work with boards to try and have some consistency across the province. We have had situations in the past where we haven't approved a board's budget because there was an issue that was, we felt, not appropriate for where we were with the rest of the divisions in the province. And this is one that we want to work with the divisions to see whether we can find a path forward. I want to make the commitment to the parents and families of these children that these programs will continue.

Ms. Beck: — Who has the autonomy to make that decision right now?

Hon. Mr. Morgan: — We will work with the boards to try and develop a path forward. What I had indicated was we would not approve the budgets unless those program were included in them. So how we include them is something we want to have discussions with them.

Ms. Beck: — I guess this sets up a bit of a domino effect then. So if they go to find cuts somewhere else and that proves to be out of bounds in some way and they have to go back to the budget table, this could set up a very difficult set of negotiations. And this is, this is one board we're talking about; we have 28.

One of the other things in consideration, and again, by no means . . . These are valuable programs that, you know, ought to be funded. And I would probably . . . You could probably find a case for increased funding for these programs, given the benefit to those students and their ability to enter the school system ready to learn. However this is not the situation that the boards are in, is to find these huge savings. And one of the reasons, my understanding is, for making this decision early, is to provide some clarity and direction to families so that they can make arrangements because, as you can imagine, if you are thinking your child is going to be able to attend one of these

pre-Ks, preschools, and now is not, that sends your plans in a very different direction. So to be in this state of limbo is difficult as well, is what I'm suggesting. So when can they expect some clarity about that?

Hon. Mr. Morgan: — I've indicated we're prepared to work with the divisions to try and find a good path forward. The commitment that we've made to the parents is that those programs will continue. The supports that those children need come from those programs, and we need to make sure that they continue.

Ms. Beck: — Will there be funding found to go with that commitment?

Hon. Mr. Morgan: — We will work with the boards.

Ms. Beck: — The question . . . So that is indeterminate if there will be funding or . . .

Hon. Mr. Morgan: — We will work with the boards. Budgets have to be finalized by the end of June, so we have some time to work with the boards, but we will do that.

Ms. Beck: — And again I will suggest the end of June, now being April, is a long way down the road for those families to have some clarity about that program.

I think speaking of the early years, there were some . . . Again if I recall correctly and I believe that I do, the KidsFirst program, the ECIP programs, the early childhood intervention programs, both saw no change to their funding year over year this year. Is there any impact in the ability . . . the number of spots, for example, within this budget, given that there are escalating costs within all of these programs?

Hon. Mr. Morgan: — I'm not sure whether you're asking whether we're planning to reduce the number of spots or . . .

Ms. Beck: — Yes.

Hon. Mr. Morgan: — No. The number of spots are mentioned there. I'll have one of the officials come and list the number of spots. But no, there's no reduction, and we maintained that at all the new joint schools. I'll let Mr. Currie provide . . .

Mr. Currie: — As we realize, we have our joint-use schools opening this fall which has seen a significant increase in the number of spaces available. So we have 810 realized through those joint-use schools that are opening, as I mentioned, this September.

Ms. Beck: — The specific programs that I was talking about were the KidsFirst program and the ECIP program where . . . I guess what I'm getting at is the funding has been flatlined, yet we've seen increases to cost drivers like PST [provincial sales tax] and power bills and presumably wages and all of those things. I'm just wondering if there's an ability to maintain the same level of service within that same budget line.

Hon. Mr. Morgan: — If your question is regarding the ECIP and KidsFirst programs, the funding was not reduced on those.

Ms. Beck: — No, I didn't indicate that it was.

Hon. Mr. Morgan: — The funding is maintained.

Ms. Beck: — Okay. And the KidsFirst program the same . . . able to maintain the same level of service within that budget?

Hon. Mr. Morgan: — It's the same answer. The funding level has not been reduced and has been maintained.

Ms. Beck: — While Mr. Currie is up at the table, there was one question that I wanted to go back to from last night. If you'll excuse me for one second. Last night it was mentioned answers about when we were talking about staffing and the ability to provide staffing to the 889 additional spots, there was an acknowledgement of some recruitment issues within the sector. And there was talk about a support system being in place and partnerships and other avenues being pursued around that recruitment and for those new spaces. And I was just wondering if you could expand upon that a little bit.

Mr. Currie: — By all means. So as our focus is on making more early childhood education spaces available in joint-use school communities and also existing centres, we've made significant progress in responding to the need. We are partnering with our post-secondary institutions to have encouragement and the realization of additional courses being offered and enabling consideration from the public to enter this workforce and to provide care and support with these centres.

So we are excited that we also have . . . Sask Polytechnic is in the process of delivering an adult basic education ECE [early childhood education] level 1 dual-credit option and this builds upon the high school ECE level 1 dual-credit option that has been in place for a number of years.

We also see that we are working with the Saskatchewan Indian Institute of Technologies which is also currently delivering First Nations child care certificate programs in both Regina and Saskatoon. And this will mean more ECE level 2s in these respective communities.

And third, we've been collaborating with the Ministry of Economy to explore ways to increase the number of ECEs in the joint-use school communities. We have reached out, and the post-secondary institutions in our respective communities have responded to the call and are looking to facilitate additional learning opportunities to meet the needs of the joint-use schools and their openings as well as the existing child care centres in our respective communities.

Ms. Beck: — Thank you for that. And of course these new child care spaces, the majority of them will be the new joint-use schools. Will some of those measures . . . I have to admit. I don't know how long someone goes through the level 1 ECE. Will they be through that program yet or they would be ready . . . Or the level 2s, would those increases be in place by the fall in order to staff those 889 spaces?

Mr. Currie: — We're very confident that the spaces realized in these new joint-use schools will have qualified staff working in them and that they will be meeting the needs of those respective communities, yes.

Ms. Beck: — Okay. One of the other things that I wanted to ask you about, there was some indication that I received today from a constituent actually about the before-and-after-school programs, losing licences for school-aged licences in the before-and-after-school program within some of those centres. Could you expand upon that or could you indicate if that is the case or not, if there are any changes to the before-and-after-school or the school-aged licences within those centres?

Mr. Currie: — Those respective programs aren't licensed, and there's been no change.

Ms. Beck: — No change, okay. Thank you. I think that I will indicate that I'm going to move on to some questions about libraries.

Hon. Mr. Morgan: — I had indicated at the end of last night whether you required the library official who . . . You'd indicated you didn't have any more questions. So that official isn't here. If you have questions, I'll certainly try and answer, but I may need to take notice and ask something from the official.

Ms. Beck: — So some of our discussion last night was around communication from MLAs' offices about the impact of these cuts. And some of the responses that were going out to concerned citizens regarded statements about the regional library boards being flush with reserves, money held in reserve. And there has been a very strong effort put forth to dispel some of that or to provide some facts about that.

One of the libraries, the regional library system that I'll talk about is the Palliser Regional Library. One of the specific letters noted that there were over \$2 million in reserve with the Palliser Library. And as we talked about last night, Minister, I think you noted that there was some validity to that, that this may have included the tangible capital assets as part of PSAB [Public Sector Accounting Board] reporting. And that certainly is the indication that I'm getting here, that the majority of that would be buildings, books, vehicles, and equipment, and about \$2 million.

And of course, we all know what happens when you drive a vehicle off the lot. It depreciates. And old books, I'm told, depreciate in value even quicker when you go to sell them. So that is a bit of misinformation that I think really needs to be directed to all, that that shouldn't be circulated.

[21:30]

Hon. Mr. Morgan: — I think we have given an indication to the MLAs not to use the accumulated surplus numbers as being an indication of reserves. And I think, last night, I read in the numbers from the library and it would indicate a more accurate number. And I don't have that list with me, but I think we tried to clarify. I mean the numbers are certainly not as big as, but there certainly some cash that's available.

Ms. Beck: — Okay. Yes. Well, and I have some specifics, and I think it would be welcomed by those fighting to keep these library services open that that misinformation isn't circulated by anyone out there, that there is, you know, some ability to just

dip into these very rich reserves and hold off closures that really seem imminent for these programs and have caused a great deal of concern as you're well aware.

In the case, and I'll give one specific case, but there are a number of library systems, the regional library systems that have indicated a similar situation, that they do have some money held in reserve. In the case of Palliser, it is actually about 300,000 . . . 392,000. And about 39 of that has to come out of the automation to fund the SILS [single integrated library system] costs for the year, so that's a fixed cost that they have. And some of it, as I noted last night, was to replace their courier van which gets the books from place to place. They indicate that it's reached the 400 000-kilometre mark, which I suppose is a bit of a feat in itself to keep it on the road at that point. So it seems reasonable that they would have money in reserve to replace that van. Again they have to dip into their reserves to pay severance because they've had to lay off a number of their staff within their headquarters. They have an automation reserve, an equipment reserve with small amounts and those notes. They have a bequest that is not . . . that is to be used for specific purposes. As you're aware, those are held with specific purposes.

So I guess what I wanted to do by highlighting that is dispel this myth that there is some great level of reserves that they are sitting on. The libraries with this cut have been thrust into a position where they've had to cut services and make cuts to staff. And they are questioning their very existence going forward without some remedy to this, and that dipping into reserves is not going to be a sufficient remedy to keep those services going.

So I am glad to hear you say that there has been some direction to ministers to not to continue to put that misinformation forward because that has been noted by the sector and has not been helpful.

Hon. Mr. Morgan: — Did any of the people that come to you indicate what discussions they'd had with the municipalities that had appointed them? And the second question — I know it's not my role to ask you questions — did any of them indicate what their intentions were with regard to the tax levy? Because as you're likely aware, the trustees set a tax levy and have the ability to set a tax levy to increase the taxes. So I don't know what their plans are or their intentions are with regard to . . .

You know, we raised the issue of the cash that they might have on hand and, you know, I'm not going to get into the debate of what was there or what wasn't there. But I guess, you know, is it entirely fair to say to the provincial government, we look only to you? The other funding partner is the municipalities and the boards themselves that have the ability to set a mill rate with regard to their libraries. And I understand at least one of the provincial libraries might be looking at adjusting the mill rate that they have for libraries.

So you know, we can get into the discussion about who should pay for it, but there are certainly some options that are there. I understand that some of the officials in our ministry are going to meet with some of the library officials tomorrow to try and work something through.

We may not agree on a lot of things, but I think what we do agree on is the value that citizens place on the interlibrary loan system. And on that, I think we both wanted to see that we do as much as we can to try and maintain that. Now I can't speak to whether there's efficiencies that can be had in that system. And I know, you know, we talked about the number of libraries there are, whether those are all necessary, whatever else. And those are sometimes a municipal decision as much as they are a provincial decision. But I think, you know, we need to have those discussions. And the one, you know, that hasn't come up from the libraries is their ability to adjust a mill rate.

Ms. Beck: — I mean you noted that you weren't able to speak to, you know, whether . . .

Hon. Mr. Morgan: — Yes. I can just give you . . . Oh sorry.

Ms. Beck: — Whether they're . . . to find efficiencies. You know, that might be a good discussion to have with those in the system before a 58 per cent cut is levelled at them. They do have some information about the levies but remember this is the . . . also in the context where municipalities have also had a huge hit to their funding with the removal of grants-in-lieu. You know, Regina and Saskatoon, a \$10 million hit. We're looking at a 30 per cent drop in funding for a number of communities — Moose Jaw, Yorkton, Prince Albert, North Battleford, and the list goes on.

And then smaller- and medium-sized communities, smaller cities that all have sustained extensive cuts. So you know, they have done their part. The 100 per cent of the rural levies goes to the town or the village hosting the library, and the surrounding RM [rural municipality] pay for the open hours of the branch. So this is something.

You know, we talked about the breakdown of responsibilities that the RMs and the municipalities do pay for those things. I guess, is there a responsibility of the minister to fund, to guarantee some level of service within the provincial library system as indicated in the libraries Act?

Hon. Mr. Morgan: — This is what happened in the Southeast Regional Library. They voted to increase municipal support by \$5.77 per capita, so that's one regional library that has chosen to make that step. Now I'm not advocating for or against budget . . . [inaudible] . . . Now the library assessment is separate from the municipal one. I mean the library boards are appointed, but if the libraries choose to increase the assessment, they have the right to do that. And there's one that has. So I think it's probably a better long-term discussion as to which level of government is the right one to fund the multitype service, to fund the SILS service, and to fund the operation of local libraries.

Ms. Beck: — Well it's quite a context to have had this discussion in, you know, by cutting without notice 58 per cent of the funding to this library system. You know, that seems an interesting way to have that discussion. And you know, if the government was looking at pulling out their support of a provincial library system, maybe that should've been done with some consultation with those in the sector.

As we've noted, this is a 3.5 . . . to the regional system, \$3.5

million hit — which is really quite small in terms of the overall context of the provincial budget, but has devastated the system. And I guess I would have to go back and look at the responsibilities within the provincial library Act, but it would seem that there is some responsibility of the provincial government to ensure that some level of service is maintained throughout the sector.

Hon. Mr. Morgan: — You're welcome to look at the Act. The Act talks about the ability to make inquiries and to seek information and whatever, so I think it's a healthy discussion to have.

I understand the officials from the ministry are going to meet with some of the library people tomorrow. What I'm hoping that they will come out of it with is a short-term solution that we're able to continue the interlibrary loan system. To me that's the most important thing that we can do. And then I think over the next number of months, it's probably a good exercise to have to determine what should be a long-term strategy for library funding.

In 2004 there was an issue in Regina where the public libraries were contemplating closing a branch or more because of an issue with the pension fund. So they were in a financial crisis. They did an extensive review and came out of it with the idea of closing a number of libraries. I think several branches were closed and there was a report done.

You know, I don't think we're at a point where we have a pension crisis, but we do want to make sure that we look at what the priorities are, what the priorities should be with respect to the responsibilities of regional libraries, in a broader sense, but also the municipalities that have libraries in them. And you'd referenced some of the unique services that existed at this library and that library, and I don't know whether there's ever been a discussion as to whether the municipalities who support or need those services, who's paying those services, whether it's people that are using the space and at no cost, but I think the broader issue of the role of libraries.

We also know that there is an increasing use of technology, so we've continued to support and will continue to support CNET and LiveNet so that we can have good Internet access. And I know an increasing number of people who've got good Internet access in their homes, but there are some that don't and that they depend on going to the library to do job applications, job searches, and those type of things. So I think it's important for us to try and maintain that aspect of it. There's an incredible usage of the electronic community that's there through the multitype system: newspapers, periodicals.

So those are things that I think if you ask members of the public what's important to them, you're probably going to get some shifting views as to whether people are using the electronics or people that are going to the library for physical books. And there's no doubt the SILS system speaks to the number of physical books that are used, the number of items that are checked out.

So I think we need to look at both things, but it's a good time to have the discussion. You might want to have a look at the report that was done by the Regina Public Library when they were

looking at a financial crunch . . .

Ms. Beck: — I actually have no desire to go back to 2004 and look at that report. But I would suggest to you that you do have a fair amount of information on your computer or at your office with regard to the number of submissions that have come in from people, and exactly how they do value those programs and their library services. You know, it's certainly unlike anything that I have experienced in recent memory in this province. And I would hope that that would be taken as a bit of a signal that this is a service that is valued by people in the province and that it is something that they would like to see maintained.

There's been a lot of talk about the number of libraries in a number of responses that you have made, sort of making vague references to perhaps the fact that we have too many libraries per capita. Do you have a number? What would be the right number of libraries for this province?

Hon. Mr. Morgan: — I wouldn't be so bold as to suggest a number. I think that's something that you'd want to have some discussion and some consultation with.

[21:45]

The other thing is we have a lot of communities that have got a regional library as well as a school library. We know that Warman has done a job, a good job of developing a protocol or agreement as to how the facility would be shared between adult users and school users as to time of day. As a result of what they've done, they probably have better availability of hours than a lot of the regional libraries. Avonlea, for example, is only open, I think, one day a week. So they're done on a basis where they're not usually open on Friday, Saturday, or Sunday. And not very much . . . you know, most of them may be open at most one evening a week.

Ms. Beck: — And those are decisions that are made at the local level to support those libraries, and certainly I think that we have seen that they're valued.

You know, there's been a lot of talk in different answers that you've provided about the number of libraries, about there being too many per capita, and making comparisons with Alberta and Manitoba. You know, those are difficult comparisons. They're really apples-to-oranges comparisons. We have a province that still has a relatively dispersed population, and the number of branches really reflects that.

You know, comparisons have been made, and I think it's a fair comparison . . . I have, as has been noted, had over 2,000 emails — I think the number is higher now — to the office about support for libraries. During the election I did, I know my colleagues did, knocked on a lot of doors, talked to, you know, thousands and thousands of people. I didn't hear one person tell me that they wanted more MLAs, for example. And we have provided, you know, the opportunity for a commitment to reduce the number of MLAs because we have more than our share per capita, I think more per capita than any other jurisdiction outside the Maritimes. So you know, those are interesting comparisons, but I think they have to be looked at in a context. And really it invites that comparison with the number of MLAs, when we're talking about comparisons with other

jurisdictions and where we might find savings in a place where people would be less upset and less standing to lose some services that they really, they seriously value.

I know that the recent library read-in provided many of us with face-to-face time, the opportunity for face-to-face time with our constituents. And they really wanted us to understand that this is a service that they value, and really in every corner of the province. I know that it wasn't just opposition MLAs who received these messages. This was a message that was presented, if not to every MLA, I would guess to most of the MLAs.

So again it is something, you know, for \$3.5 million in the regional system . . . We've gone back on other decisions in the budget and indicated a willingness to move on it. I would really ask the minister to reconsider this decision. I wonder if there's any willingness to do so.

Hon. Mr. Morgan: — You know, you mention that Alberta wasn't a comparable . . . probably Manitoba is a better comparable than Alberta. And you know, once again a province similar to ours, slightly larger population, but diverse. But I don't think it's a worthwhile exercise for us to go and just talk about or debate the degree of comparability on this or that. You know, we know that we have one of the highest numbers, and it's, you know, worthwhile for our municipalities to decide, okay, is this something we want? Is it something we want to pay for at a local level or not?

But I think at a provincial level we're saying to the municipalities, we think what's important for us to look at working with you to provide is making sure that the SILS system looks and remains viable. We'd like to have some discussions with you about how we can work to have better efficiencies by co-locating in schools. We've got a number of them in the North and would welcome those discussions. In my discussions with most of the schools, they're amenable to having those discussions. Some of the libraries say, whatever the reasons are, that the books wouldn't be secure, whatever else. I'm pleased to have children reading books, whether it's in a municipal library or in a school library.

I'm sure that, you know, if we use the Warman model, we can refine it, deal with it, and we can save money on the process of operating if we can co-locate. And not all of them are going to work. Some of them are; some of them aren't.

I had some other discussions yesterday with people from SARM [Saskatchewan Association of Rural Municipalities], and they would welcome more discussion in that area with their members. They can't speak for their members, so they haven't gone and canvassed them, but they know that there may well be some good synergies that would exist, and would look forward to saying, okay we can do this here, we can do that there. Some of them, they raise some specific ones that we indicated we would want to get some information from them. So let's have those discussions and see what we've got.

Now the issue that you raised is where we go with funding. What I can tell you is that we want to look at or work with the regional libraries to do what we can to continue the SILS service because I think that's the one thing that you and I do

agree on, is that that does provide a significant benefit for people all the way across the province. And that's something that's important to me.

Ms. Beck: — So when was the decision made of the intention to pull out support from all of these other services and to shift the cost of libraries onto municipalities? At what point was there a decision made that this wasn't somehow a function of the ministry and that this would be phased out? I mean, 58 per cent is not tinkering around the edges. This is a signal that the ministry is pulling out support of the provincial library system, the regional library system.

Hon. Mr. Morgan: — I can't speak to when. You know, it was a budget decision, and I don't remember when or how the decision was arrived at. But what you're saying is, is there a decision that the municipalities should bear a greater portion of it? And we're saying we think that they should or have a look at how best we can serve the patrons of the province, and we're willing to have that discussion.

Ms. Beck: — I don't think the 58 per cent cut is any, you know, it doesn't signal a willingness that this is something that is valued or want to continue with the service, I would submit. And in terms of, you know, signalling to the municipalities that this is something that now is their responsibility and they ought to pick up that responsibility if they value it, given the larger context of this budget, is quite difficult.

You know, this is a budget that saw, well, we're sitting this session with three additional MLAs that come with added expense. There are a lot of decisions that are made, decisions made for corporate tax breaks in this budget. Yet we can't somehow as a province find \$3.5 million for a provincial library system that has really been the envy and held up as a gold standard across the country. It's, well, it's more than unfortunate.

Hon. Mr. Morgan: — In this budget, there were a lot of difficult choices to be made. And it's easy to look at one in isolation and say, oh well, this one is small, why did . . . You shouldn't have done this one. That one is small. You shouldn't have done that one. We had targets that we wanted to meet. We made a variety of changes to how funding went, and we wanted it to work with our education partners and with our municipal partners to try and find savings and to try and do things as effectively and as efficiently as possible.

The Finance minister, when he always talks about the billion-dollar change that we have, drop in our revenue, we recognize that. We're mindful of that. We don't wish to go the path of Alberta and have a \$10 billion deficit. We want to be able to bring this budget into balance within three years. And I would point out this: that even with some of the difficult choices that are in there, we're still looking at a \$650 million projected budget for next year. So we want to do what we can and want to work with our partners all the way across. And there will be some difficult choices. We're going to have the discussion with the libraries, and I can't commit to how that might come out.

But I, you know, I pointed out earlier in the discussion tonight that the libraries have — and they're one of the few entities that

does — the ability to go back to their tax base and say to their ratepayers, do you value this service? Do you value it enough that you'll pay an additional \$5 a year for it? Because that's what Southeast did, was \$5.77 per capita. So if they're able to do that, well then I think that's an indication of their level of support. And I'm not advocating that all of the regions may want to do that, but I think, you know, those are the type of discussions that need to take place over the next while.

Ms. Beck: — I would suggest that I'm not, you know, picking minutiae out of the budget with this one. This is an issue that came as a surprise, without consultation. It mobilized the largest modern-day action in the province — 89 locations, I believe, around the province.

This is, you know, a relatively small number in terms of the overall budget, but is not, you know, just as I stated, this isn't just a minutia. This is a crippling cut to the system. And you know, the definitions of partnership and consultation and valuing, I think I would submit that we have different views on what that looks like. Because, you know, now to go to the municipalities who've already been hit and those people living, the ratepayers living there to shoulder this cut, really, well it's more than unfortunate. And again I remain hopeful that this is a decision that will be reversed because I think it is short sighted.

I'm just mindful of the time here . . .

The Chair: — Over 10 minutes left.

Ms. Beck: — Okay. One of the things that we have been bringing forth as an opposition is a petition around funding for child care centres in the province and the fact that there's this really inconsistent tax rate. Well we're speaking of municipal levies and municipal budgets. This really does impact centres in different areas of the province in a way that isn't consistent.

We were talking a lot about consistency around LINC agreements earlier. This is an issue that varies very much and, I think, impacts the ability of daycare centres to run their operations. We were talking about recruitment earlier. Their ability to pay workers a wage depends on their operating costs. And in some communities, the costs are much higher because they are paying property tax. In some areas, it's residential; some, it's commercial. Some, they have exemptions — certainly within schools that there is an exemption there. And is there any discussion or any progress towards looking at uniformity for tax rates for child care centres?

[22:00]

Hon. Mr. Morgan: — We became aware of this problem when some of the child care centres raised it within the last year or so. We had some discussions with Government Relations as to what would happen, and we had some informal discussions with some of the municipalities. The ability by bylaw to grant an exemption for a daycare or whatever rests under the current law with the municipality. The recommendation that came from the Ministry of Government Relations and from the municipalities was that it should be left as a local decision rather than a provincial decision.

They raised the issue then, while daycares would be laudable,

everybody would support the idea of doing something for daycare. They went on and then they listed a myriad of other very worthwhile places that may want to: legion halls, service clubs, any number of entities that are currently taxed that, in isolation, would be worthwhile to consider for tax abatement or a tax reduction.

So what we've asked the daycares to do is go to their municipality and ask the municipality to make a decision. At a provincial level, we've made the decision that we don't think it is appropriate for us to legislate into the domain of municipalities by granting, by forcing them to grant a tax exemption to certain ratepayers as opposed to others. We didn't do anything with those that get the break by adjusting up or down for them. We felt it was between those centres and the municipality to do whatever they feel they need to do to try and speak at council meetings, whatever, to see whether there's a willingness on the part of the council. But at a province-wide level, we don't think it's appropriate for us to weigh in.

And by saying that, I don't think I want to in any way diminish the good work that's done by the daycares. I don't want to say that they're, you know, don't deserve a break or don't deserve some consideration. We just don't think that it should be within . . . it should be done by the provincial government, to try and weigh in on that issue.

We had similar issues with regard to local improvement tax on schools as to whether we should legislate it away, so that we wouldn't have local improvement tax, which is the tax that you would pay for . . . You're probably aware of what it is. So we said no, we're leaving that as it is. So we haven't made changes to that because we recognize the needs of the municipality and the need for them to make an appropriate . . . [inaudible] . . . because we looked at some of the local improvement ones across the province and didn't feel that the municipalities were abusing their right to do it.

The same with the municipal reserve issues in the city of Regina. The city of Regina took strong exception to having to provide land for the joint-use schools. We took the position initially that the joint-use schools should have been provided land at no charge or subject to the servicing costs only. The planning and development legislation makes it abundantly clear that a portion of subdivided land is to be set aside for parks and for schools. So we thought that meant developers provide it; it's there for us. Having said that, we met with Mayor Fougere and gave him over a million dollars for each one of the properties plus the servicing costs. So in any event, we recognize the autonomy of the municipalities. I'm sorry for the long answer.

Ms. Beck: — I'm just recognizing the time here. And I guess what I want to focus on and assess is the level of valuing child care as a program, something that lends value not only to those families who access that program, it lends value to the readiness of children to enter the school system, quality early childhood programming. And really it lends value to the whole economy when we have parents of small children who are able to enter the workforce in a way that they . . . so they are fully able to enter the workforce. And often it's the case that, you know, lack of availability, lack of affordability, all of those things impact that attachment to the workforce for families.

And I recognize the larger context, that we are in difficult budget context at all levels, but I am also aware, vaguely aware, of, you know, some support at the federal level to support child care. There is certainly a willingness, as evidenced by this petition that has again had support from around the province, that this really is an issue that often gets pushed to the back, but has impacts again for not only those families who are accessing the service but for our whole economy. And I know that there are pages and pages of reports that I'm sure that you're aware of.

I think the government's own document indicates the value of this. And I'm wondering, at some point in the near future, if there is going to be some planning. And you know, it's one thing to have good words about how we value things, but it's a very other thing to support it with the dollars needed to actually provide a service in a way that is optimal. And I would just wonder if there are any plans to that end.

Hon. Mr. Morgan: — The argument that you advance on the benefit of daycares, I certainly, I certainly don't take any issue with those, and in fact, agree with you. And people that have contacted you, I think, those are the arguments that should be presented to the municipalities. Those are the things that you would present at a council meeting. And I think if you had uptake from either Regina or Saskatoon, probably some of the others would say, oh we should do it as well.

But it's something that we don't feel that we should weigh in to another taxing entity's ability to levy a tax. We think that's the choice that they've made. They've passed their bylaws for that, and we don't feel it's right. We've raised it with them as being an issue that we hear about, as have you, and said is this something you feel that you want to . . .

Now what I can and will do is, the next time I meet with the SUMA [Saskatchewan Urban Municipalities Association] and SARM officials, and say we're continuing to hear this; is it something you want to talk to your members about.

Ms. Beck: — I guess what I'm asking, and certainly they will continue to have those discussions, but is there a willingness to make some significant statements about valuing child care in this province by the Ministry of Education? And certainly that is where this falls within this budget.

We've seen, you know, the number of spaces, and I'm sure that that is something that's significant. But we've heard these ongoing issues with the lack of uniformity, difficulty with recruitment, affordability, and all of those things. And I'm asking if there would be, you know, in light of this federal money and other factors, if there would be some plan to engage in that in a meaningful way going forward?

Hon. Mr. Morgan: — I think I'd indicated that we felt it was a municipal issue. Our commitment to child care and to children in the province is . . . We answer that with our record. We have increased the number of child care spaces in the province since we've formed government by over 50 per cent. Every school that we've built since we've been in government has had a child care included in it, a daycare. We are usually providing at the maximum that's available of 90 per school.

So we're continuing to go and do that, and every place that we do across the province is to look for opportunities to have them. And we think that having them in a school is a wonderful place to have them because often there's common drop-off points, older siblings, and the supports that are there. So we support having them in the schools. That's where we . . .

But a lot of them that we've provided funding for are not in schools. They're privately run. But we don't have a ready option to deal with forcing the municipalities to lose a portion of their tax base. And I have raised it with the municipalities, and we'll raise it again. But I also respect their right to determine how their tax base is structured.

The Chair: — We have reached the agreed time of adjournment. If the minister has any closing remarks he wishes to make, he may do so now, followed by Ms. Beck.

Hon. Mr. Morgan: — Thank you, Mr. Chair. I would like to thank the members of the committee on both sides as well as yourself, the officials from Hansard, and from the building, even though Robert Park didn't bring me supper tonight, and all of the officials from the ministry that are here. We see them here for a few hours, but they do a massive amount of work so that they're ready and able to answer the questions. So I would like to thank them for all of the work that they do all year long and thank them on behalf of all of us for having been here tonight.

Ms. Beck: — Thank you, Mr. Chair. And I'd like to echo the comments by the minister and thank everyone for being here the past two evenings, but also the work that you do every day within the ministry in support of the programs and the functions in service of children, largely, in this province, and that is very important. And I do sincerely thank each of you and committee members and Hansard and those who are behind the camera and out in the hallway. It is appreciated to have this opportunity to look a little more closely at the budget, and thank you all for your time.

The Chair: — Okay. Thank you. Can we have an adjournment motion? Mr. Fiaz. All in favour? Carried. This committee stands adjourned to 7 p.m. tomorrow.

[The committee adjourned at 22:11.]