



STANDING COMMITTEE ON PUBLIC ACCOUNTS

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**STANDING COMMITTEE ON PUBLIC ACCOUNTS
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Mr. Andy Iwanchuk
Saskatoon Fairview

Mr. Kim Trew
Regina Coronation Park

[The committee met at 09:00.]

The Chair: — Good morning, everyone. We'll call this meeting of the Public Accounts Committee to order. I'd like to welcome each and every one here — our committee members, our officials from Finance, and our guests from, first off, the Department of Health.

Before we get to item 1 of the agenda, I would just point out to my colleagues, fellow committee members, that we have placed two items on the agenda at the end of the morning, actually into the early afternoon. You'll have a little later lunch. But for those MLAs [Member of the Legislative Assembly] who attended the CCPAC [Canadian Council of Public Accounts Committees] conference in Charlottetown, if you could be thinking, you might want to just gather a few thoughts and report what you saw as the highlights of that conference.

And then we have a proposal for a meeting with CCAF officials which we would like to briefly discuss before we recess our meeting for lunch. I would also point out that we are not meeting this afternoon because of changes to our schedule, but we do have a full day tomorrow. What we did is we moved all of yesterday, which we had initially planned for a meeting, over to October 5.

So with that explanation as to our agenda for the day, I would like to welcome officials from the Department of Health as well as I think I omitted welcoming the officials from the Provincial Auditor's office. We are going to deal first off with chapter 2 of the 2006 report volume 1 on Health. We will have an overview from the auditor's office given by Mike Heffernan. And then following that, we would invite the deputy minister, Mr. Wright, to introduce his colleagues and provide us with a brief response before we entertain questions from committee members. Mr. Heffernan.

Public Hearing: Health

Mr. Heffernan: — Thank you, Mr. Chair, members. This chapter reports on two audits.

In the first audit, we assessed if the department's workforce action plan contains the key elements of a sound human resource plan. The health sector faces high workforce risks due to several factors. These risks affect the department's and health agencies' processes to manage their human resources. A sound human resource plan helps reduce those risks. We report that the department's plan contains most of the elements of a sound human resource plan for the four health provider groups it covers: doctors, nurses, pharmacists, and technologists.

We make two recommendations to improve the human resources plan. In recommendation 1, we recommend that the department present information on significant shortfalls or surpluses in human resources in its human resource plan. In recommendation 2, we recommend that the department present information on succession planning and development strategies for its current workforce in its human resource plan.

In the second audit which begins on page 30, we assess the department's and other health agencies' public information on

key infrastructure they use to provide services. In Saskatchewan the government has invested over \$2 billion in infrastructure in the health sector. Health agencies' facilities and equipment are important for the delivery of health services. Health agencies rely on their facilities and equipment to provide health care services as well as to ensure the comfort and safety of clients and patients. The public needs to know if the infrastructure available helped or hindered the department and the other health agencies' ability to achieve their planned results. We report that the department and other health agencies need to improve the information they publish about key infrastructure.

We make three recommendations to improve public reporting of health system infrastructure. In recommendation 3, we recommend that the department and other health agencies publish adequate information about the condition and potential volume of service of their facilities and key equipment. In recommendation 4, we recommend that the department and other health agencies publish performance measures, targets, and results that show the extent to which the use of their key infrastructure achieved their operational and financial plans. In recommendation 5, we recommend that the department and other health agencies publish adequate information about the strategies used to manage major risks facing their infrastructure and their actions to reduce those risks to an acceptable level.

That completes my remarks, Mr. Chair.

The Chair: — Thank you very much, Mr. Heffernan. Mr. Wright, if you would introduce your colleagues and respond.

Mr. Wright: — Thank you very much, Mr. Chair. Behind me and to my right is Rod Wiley. Rod is the executive director of the regional policy branch. Beside Rod is Jill Raddys. Jill is our new intern student currently undertaking studies in the Master of Public Administration program at the University of Regina, so it's a delight that she's here. Beside Jill is Garth Herbert. Garth is the financial management consultant/internal auditor for the Department of Health. And beside Garth is Ted Warawa, and Ted is the executive director of the finance and administration branch.

Beside me to my right here is a delightful human being, Bonnie Blakley. Bonnie is not only the executive director of the workforce planning branch but is one of the Co-Chairs along with Dr. Marlene Smadu of the provincial workforce steering committee which has been recently established.

To my left is another absolutely charming individual in the form of our chief nursing officer for the province, Lynn Digney-Davis. Not only is she the chief nursing officer, she's the Co-Chair along with . . . I think I got it wrong earlier. The Co-Chair with my colleague here is actually Dr. Bonita Beatty, and the Co-Chair of the provincial nursing committee recently established is Dr. Marlene Smadu along with Lynn.

And finally, last but not least and most importantly of course, is my assistant deputy minister, Lauren Donnelly.

Mr. Chair, with your permission I would like to turn it over to my colleague here to provide you with a little overview on the workforce action plan. Bonnie.

Ms. Blakley: — That's fine. Thank you for the opportunity to introduce the workforce action plan. As many of you may know, the workforce action plan was generated based on a commitment made by both government and our federal counterparts to have a plan in place by each jurisdiction by December 2005.

Saskatchewan, I think, took on an aggressive program in order to establish our workforce action plan in that we were the only province to extensively consult with stakeholders. We did over 250, either direct or indirect, meetings with stakeholders, either through written format or through meetings in order to create the plan. We really believe that the workforce action plan solidly represents what the stakeholders in the health, and the education and training system said was needed in order to ensure we had the health professionals we need as we move forward. As you will recognize and have pointed out we focused on physicians, nurses, technologists, and pharmacists which was the commitment made at the table with our federal counterparts.

In developing the workforce action plan, we took the opportunity to work with our Aboriginal community, some of our community stakeholders, and advisory committees to ensure that we recognize the population health needs in the province and that our plan wasn't just based on historical data but was looking at what the future population will need.

The plan itself outlines in the five areas what we think our current need will be and the areas that we think we need to increase capacity. In the physician file, you'll note that we have a large number of physicians who are internationally educated, and we're looking to increase capacity in our own training facilities in Saskatchewan in order to meet our need. As well we've started down some initiatives with our internationally educated health professions program, and we were able to leverage \$2.2 million from the federal government in order to do that.

In the nursing front, we worked with our nursing community and recognize that by 2008 we potentially see a shortfall of 400 nurses. We used Doug Elliott's work at that time to ensure that we were identifying not only historical in- and out-migration of our nurses, but also that at the same time we were looking at the number of seats that we had ramped up, the attrition rates in those seats, and also if we thought there was going to be additional need in some of the communities.

In terms of our pharmacists, we had ramped up capacity previously and our biggest challenge was clinical placements. We have more pharmacists per 100,000 than any other province in Canada. We think that still there is a need to ensure that the placements are able to happen in Saskatchewan.

In terms of our technologists, medical lab techs, again we have the highest per 100,000 in Western Canada, but we see increasing demand coming and have asked for a 20 to 25 per cent ramp-up in that area and are working with Advanced Education on that.

One thing that we think is quite exciting about the plan is that it has received national recognition as being the most comprehensive plan. Gail Tomblin Murphy, who is a leader and

associate professor at the School of Nursing and the department of community health and epidemiology at Dalhousie University, has said that Saskatchewan is a leader and actually has been presenting at multiple conferences where she said that this is the province to watch for in terms of who has set the road map in terms of human resource planning.

In addition, after the plans were released, we were one of the eight provinces to release them on time. Other provinces have now somewhat released plans. Most plans are not action plans; they are roll-ups of what jurisdictions were already doing. So we were one of only two provinces to release an action plan.

We're proud of the plan. The Health Council of Canada has said that we met the mandate of the planning process the most comprehensively of any other jurisdiction. And we feel that it gives us a strong map for moving forward. Thank you.

Mr. Wright: — And, Mr. Chair, if I may, with respect to the recommendations on the infrastructure, not only bricks and mortar but of course equipment. In general terms, we're in agreement with the Provincial Auditor's recommendations. We would note that our 2006-2007 accountability documents with the regions will go a significant way, if not all the way, to achieving many of the recommendations and concepts the Provincial Auditor would like us to embody in public reporting. We are looking forward to working with his office to define and to determine best practice elsewhere in this country so that we can model off of that as well.

The Chair: — Thank you, Mr. Wright and Ms. Blakley, for that response. We have the best part of an hour to deal with a very important issue, and there's significant amount of data in the auditor's report that I'm sure we'll have no difficulty whatsoever filling the time. So we would open the meeting to questions from members. I recognize the member for Indian Head-Milestone, the official opposition Health critic, Mr. McMorris.

Mr. McMorris: — Thank you, Mr. Chair. And welcome to the deputy minister and your delightful officials . . .

A Member: — Charming.

Mr. McMorris: — Charming, charming officials for being here. This is certainly an issue that we've talked about, whether it's in the House or in many different venues, I guess, is human resources, and that's the whole key to health care. And we certainly raise concerns with shortages in various areas, be it physicians, nurses. We haven't really talked, that I remember a whole lot, about pharmacists as much, certainly talked about some techs and some of the shortages there.

But it is a huge issue, and that's probably what I'm going to be spending the most of my time with. I will talk, maybe if we have time, I may have a couple questions on infrastructure. But most of the issues that I want to deal with would be around the human resources. And I was looking in the auditor's report here and just the one paragraph that really kind of hit me, it talks about:

The health sector faces high workforce risks due to shortages in specific skills, an aging workforce, ability to

attract and retain staff, competition . . . [with] other jurisdictions, high injury rates, and an increasing need for supportive workplaces . . . [and promoting] learning.

And that certainly is what we're hearing over and over again, some of the risks that the health care workers are facing; but not only the health care workers, people that are trying to access the system. I think the symptom of shortages is long waits, and certainly Saskatchewan is not immune to some very long waits.

I was interested to hear about the . . . I mean any time we talk about human resources, the minister always talks about the workforce action plan. And I was interested to hear you talk a little bit about the workforce action plan. Can you give me some specifics though? I mean it's great to have a plan, but what is actually happening from this plan? You know, the plan is written out, and it's a document, but what are some of the steps that are actually taking place to address the huge shortage of nurses and physicians? And I'm going to get into specifics on nurses and physicians in a while. But I would just like to know what are some of the steps, the actual things that are being done to address that issue.

The Chair: — Ms. Blakley.

Ms. Blakley: — Mr. Chair, thank you. First I'd like to start with, before the plan was released we were already allocating about \$5.5 million a year to what we consider recruitment and retention initiatives coming out of the 2001 action plan. We, as you know, have a bursary program that's well received. This year alone in terms of our nursing retention, 92 per cent of the bursary recipients are returning service in the province. In addition we provide learning and professional development dollars to regional health authorities.

We know that retention of health employees often has to do with opportunities for advancement within their work. We, in addition, have worked on quality workplace initiatives with our partners such as Saskatchewan Registered Nurses' Association, Saskatchewan Association of Licensed Practical Nurses, some of our union counterparts such as Saskatchewan Union of Nurses on quality workplace initiatives to ensure that people are feeling comfortable in their workplaces.

In addition, even before the action plan was released, we had begun working with regional health authorities on doing a better job of dealing with sick time and overtime. We've seen a trend actually, over the last nine quarters, of sick time going down. We still have work to do in some of our other areas. We've also created a provincial committee where we're working with the Department of Labour and WCB [Workers' Compensation Board] to do a better job of injuries in the workplace. So before the plan was even released, we were starting to go down the road.

Once the plan was released in December 2005, we actually moved quickly. We were allowed, or government allocated \$500,000 at the time for a recruitment agency. That agency is fully in development right now. It will be launched this fall. Although it hasn't been launched yet, it's already been at some career fairs because we don't want to miss the opportunity to talk to students both inside and outside of our province. And we've actually already had applications through the agency of

health professionals outside the province, including a doctor from Ireland. So the agency is starting to get profile and will be officially launched later this fall.

In addition to that, we've taken the opportunity, since release of the plan, to work on some mentorship initiatives. There was a young group of nurses who have just been employed for about three to five years. And they came to us and said, you know mentorship isn't just about experienced nurses mentoring. It's about younger nurses also mentoring new nurses and helping them transition to the workplace. So we provided funding. They call themselves Nursing the Future, and they're working on initiatives to help bridge new young graduates into the workplace.

At the same time, we began working with our Aboriginal community. We hosted an Aboriginal cultural awareness camp in Fort Qu'Appelle, and we actually consulted with elders about the ability for us to move on becoming an Aboriginal training centre of excellence in Saskatchewan. There is a potential of about \$100 million available from the federal government. And we wanted to set up an opportunity to dialogue with our Aboriginal community about how we could create programs in Saskatchewan to ensure that our Aboriginal people have access to training programs in the health professions and that we're bridging them to our employers. The elders came from the four corners, and they confirmed for us that this was the way we should be going. And since that time, we've begun meetings with other stakeholders to ensure that we can move on that front.

We also allocated \$218,000 to the College of Pharmacy at that time, and the College of Pharmacy is working with Regina and Saskatoon to open up some additional clinical placement capacity.

In addition, since that time, we've established clinical placement bursaries allowing a greater clinical capacity in smaller areas. What was happening, we found at the time, was that smaller regions or communities weren't taking clinical placements because there was no guarantee that those young people were coming back to their facility. Now there's an opportunity for those young people to get a bursary, but they have to return service back to that region. Therefore rural, remote, and northern regions are opening up capacity and getting students through that mechanism.

At the same time, we started to work on an Aboriginal conference at the time, and we hosted a conference of national representatives across Canada to look at ways to increase our capacity to reach our Aboriginal youth. The workforce action plan is premised, although it's not directly identified in the plan, on three things I would say. We have three pillars in the plan.

The first is to ensure that our young people are connected to our workforce, and our young people in the future will be our Aboriginal community. We have to work hard there.

The second premise is that we have to reward and recognize the employees currently in our system. And so on that mark, we began to look at initiatives with current employees, and we actually were able to use the work that had been done on the employee opinion survey in 2005 to identify areas that

employees thought we needed to do work in. And I understand and have worked with regional health authorities. They're creating committees with employees and union members in order to look at the results of the plan and see what they can do better by the employees in the workforce.

We also worked with Advanced Education and Employment to establish the 18-seat Kawacatoose LPN [licensed practical nurse] program. We knew we needed to start expanding the LPN program, and it was a great opportunity to have training closer to home for our young people. So we moved on that quickly. We were able to actually leverage some federal dollars as well as ensure that every one of those students received bursaries for a return in service.

In addition to that, we had begun a project and were able to get some additional dollars for it for a Regina Qu'Appelle and Saskatchewan Union of Nurses project — which is an 80/20 project — which looks at nurses in the workplace, moving their workload on the floor to 80 per cent so that they can spend 20 per cent of their time undertaking learning and professional development opportunities linked to the work that they're doing. And that has been well-received by the employees in that unit, and we're looking to see what other initiatives we can do in that area.

And I want to mention Cypress Health Region has done some great work. As they move to their new facility, they're working with a national organization and some researchers in Toronto to move to what they call the Ottawa Hospital model. And that's a model of nursing that's different and allows greater leadership for nurses on the floor. And so as they move to their new facility, they're going to be moving to that model and have worked hard to establish that. And we're providing support for three years of research to evaluate how that does in terms of people's feeling of ownership and workplace and how they're feeling about their jobs.

And finally, I just want to say that we moved quickly on the international educated health professions front. We now have five projects in place today, and we're looking at removing barriers to ensure that health professionals coming from abroad have the opportunity to work in the province.

So I think in the nine months since the release we've moved quickly. We plan on . . . now that we're established, our committee is taking an additional look at our road map and identifying additional activities. And I anticipate you'll be hearing about some of those soon.

Mr. McMorris: — Thank you. So has the department then . . . I mean you're moving on the action plan that was set out a year ago or not quite, nine months ago. Has the department then studied, has done, I guess, an analysis to identify what we need into the future? I mean how many nurses — it was the debate in the legislature — how many nurses we are going to be needing into the future?

I was interested to hear in your opening remarks that you had mentioned by the year '08, so a little more, about a year away, that we'd be short 400 nurses. That's the first time I've heard any numbers coming from the government as far as where we need to be. Certainly Saskatchewan Union of Nurses has said

that we'll need 600 nurses going forward, but we've never heard a number from the government.

So you've got an action plan that's working towards recruitment and retaining nurses, but we've never really heard a number from the government as to where we need to be. How do we know that we're successful if we don't know where we need to go to? So has the department done any analysis on the shortage or what will be needed into the future?

Ms. Blakley: — First of all I'd just like to state that the 400 I talked about is referenced in the workforce action plan on 15 where an analysis was done about the age grouping of our nurses, our retention rate, our attrition rate, based on our education system right now, and so the number of nurses. So it identifies 9,067 nurses currently in 2003 with our retention rate, attrition, and the number of students coming from our programs. If we kept them all we would have a shortfall of 400 because we'd have 7,270. So that's in our workforce action plan.

But yes we are doing additional work. Modelling and forecasting in the health system is complicated, and there hasn't been a lot of jurisdictions who have had success to date. And rolling out the workforce action plan, I mentioned Gail Tomblin Murphy before, she actually is a modelling guru in the nursing profession, but her model can actually be applied to other health professions. And we have contracted her, and she's going to be coming to work with our committees on developing the forecast.

Forecasting future based on population is a lot harder. Had we just done it on historical trends, we would be able to anticipate what we'd need in terms of if we have 9,000 now, how are we going to ensure we have 9,000 in the future? But in fact we've been rewarded as a province by looking at the population health needs. And if we do that, then you have to take into consideration things like where are chronic illnesses at and what do we expect will happen in the future and what's our population demographics in some parts of our communities, what do we anticipate will be some of the diseases that we'll see in the future that we don't see now. And that's a lot harder to model, but we've actually asked her to come in and work with our committees on that modelling. And we would anticipate that those models would show potentially what some of the gaps might be.

What's interesting is when we talk to modellers what they tell us is typically models don't tell you anything but what-ifs and so things can change quickly. You could do a model where you say what if we ramped up seat capacity and we saw people take on more responsibility for their own health? What would that look like? What if people worked shorter hours in the workplace but were more productive? What does that look like? So typically you get scenarios, but there's no guarantee that any modelling scenario will be ideal.

But yes, we agree that we need to do more work in that area. We're working with one individual who has the best model out there right now. We're also looking at the Conference Board of Canada because they're looking to do some modelling, and we'd like to actually watch where they're going and see if that's going to be of value to us as well. So more needs to be done in

the area. Thank you.

Mr. McMorris: — So you know, going forward, if you're saying that . . . And in the action plan it says that we're going to be short 400 nurses, and that's looking at retirements to new graduates. And if we were to say today that I think there's a nursing shortage right now for 9,600 — I forget the exact number you said — but 9,600 nurses, and I don't think that's enough. We're going to be down to 7,000 in a couple of years. There's a huge crisis in the looming, I would say.

I mean right now we know that operating rooms are cancelling because of really shortages of OR [operating room] nurses. We hear people that are coming out of the hospital that haven't maybe had the best experience because of shortages, that nurses are working as hard as they can.

When you look at the health authorities and you see how much money they're putting into overtime and you look at WCB rates and how they're increasing because of the workload, and then we're looking in a couple of years of perhaps being 2,000 nurses short, maybe SUN [Saskatchewan Union of Nurses] was underestimating when they said the projection of 600 more nurses is way short.

So I mean, what are the department's . . . Are you concerned over that, or am I reading those numbers wrong?

Mr. Wright: — Mr. Chair, the chief nursing officer would like to speak to this.

Ms. Digney-Davis: — Thank you very much. Just a bit of my background. I'm a registered nurse. I've been a registered nurse in this province for over 20 years in rural and northern Saskatchewan. My husband and I farm north of Southey, so I've got kind of a picture of what shortages and everything else goes.

Yes, we have a crisis. We do. We need to address this. We are in a country right now and a world right now with a very big shortage of nurses. The unemployment rate of registered nurses alone in this country is 0.5 per cent. We are not unemployed unless we so choose to be or we're injured or whatever, like you were saying.

Vacancy rates in this province and vacancies are a difficulty. Do we have a concrete target or a concrete sort of understanding about what the vacancies are? It's like mercury. It's moving; it's a moving target. It all depends on who decides to leave what position when, and how you advertise the position and all of this. And I'm sure you're aware of this.

Do we need to address this? Definitely. How are we going to do this? You address shortages in a couple of different ways. You make the workplace good. You make it a place where people want to go to work each day.

How are we doing some of that right now? We have different workplace initiatives. Bonnie spoke a little bit about the SRNA [Saskatchewan Registered Nurses' Association] workplace and a healthy workplace initiative where it actually took groups of nurses across the province and helped them work together as a team.

So this isn't just registered nurses. This is your people who bring your food and who clean your room and who do all of this stuff. But they become a team. And it helps them understand what it means to be a team and how to work with conflict within some of these.

These projects were put on hold, thinking that basically we could transfer them to the regions, and this is starting to occur. We just recently heard from the Registered Nurses' Association of Ontario that we've been accepted in this province for a pilot project to look at their best practice guidelines and healthy workplace initiatives. We will be using some of these sites. Saskatoon and Regina have agreed to participate. North Battleford is participating. Sunrise Health Region over in Yorkton is participating.

These are going to address nursing leadership, skill mix in the workplace. Oh, there's about six or seven different things that are really sort of pointed out to be what some of the key issues are here in the province and in the country. And we have just heard that we've been accepted, so everybody is excited and working hard on this to be able to do this. And there's a strong evaluation structure with this, so we will understand what our key elements are here.

Bonnie talked a little bit about Swift Current, and that's an exciting project that we've just got into with the Ottawa Hospital, one of our key nursing leaders in the country, Ginette Lemire Rodger, who is heading this up for us. This is based on the magnet hospital environment actually. And what they're focusing in on is nursing leadership at the unit level.

Some of our problems here, that people don't feel that they have the ability to make the decisions they need to make right at the unit level regarding staffing, for instance . . . If you have to phone a supervisor that's two facilities away because somebody phones in sick, that takes time. If you can just phone and get your own person, it works very well. And I've had some of this experience myself. I worked in Nokomis for a while, and we were able to do that, to phone in and get the people we needed without having to always get somebody in Wynyard to tell us basically we can go ahead and do this. So this is just some of the stuff we're addressing.

The other thing is that we have to keep the graduates. We have to keep them; there's no doubt. That's how you keep your supply is you keep your kids. You keep our young people in the province.

I had the opportunity and privilege to meet with this year's grads, and I sat down with them just around a table. I went to their classes and I asked them, I said, where are you people going to work? You know, all of them got . . . over 90 per cent of them put up their hand and said, we're staying in Saskatchewan. Bursaries were a big part of this. But they want to stay here.

And do you know what else was interesting? They were getting the jobs and the hours that they wanted, because I asked that question. I said, are you not getting your full-time hours or full-time jobs and all of that? A lot of them told me that they're getting the jobs that they wanted, maybe not quite the hours that they wanted, but they took the hours with the positions.

Now what this tells me is that our nursing managers in these regions are working really, really hard to make, you know, a decent environment for these young people and are asking them to stay. In fact they're telling me they're being recruited in third year nursing. So that tells me a lot — that people understand we've got problems. People are trying in their own ways, at their own level, to try and address this.

We have to work harder. This is what the provincial nursing committee is all about. When we had our first meeting here a couple of weeks ago, I basically told them. I said the planning's over; we're going to work. We have to address this. I've been meeting with nurses right across the province. I've been meeting with the emergency room nurses here in Regina, and I have one scheduled to go up and meet in Saskatoon.

What they want is help for professional development. Their thought is that they could attract more people to ER[emergency room] if they could have appropriate professional development and alleviate some of the staffing problems. We're working quite closely with them on this. So we have a challenge, but we've got opportunities here too so thank you.

Mr. McMorris: — Thanks for that. But it does boil down to, you know, numbers, whether it's the ER. And to attract more nurses to the ER, then tends to leave somewhere else short. I know — was it about a year or a year and a half ago? — when the government made an announcement that they're hiring I forget how many more nurses. It was in Regina here which was fine. But then you talk to some people in the health care system, and they found that, yes, more nurses went to that particular ward, but then the other wards were short or long-term care was short or whatever.

It really becomes . . . I guess it doesn't matter — and it does matter but not to the extent of curing the problem — how you shuffle the deck. There's only 52 cards, you know. And if we're not playing with enough nurses to fill the need . . . and so yes, retaining, keeping all of our graduates is huge. And I was, you know, glad to hear that the rate was as high as what you said it was. I don't think that's been past practice. We haven't had 90 per cent or 95 per cent retention of graduating nurses in the past I'm quite sure.

And this is — I guess, lends into post-secondary — is how many are we graduating? And I mean it is post-secondary, but certainly the Department of Health has a large input on how many seats do we need in an ideal world to fill the shortfall that we're going to be facing in the next couple of years with retirements or whatever.

Ms. Digney-Davis: — Thank you. We just recently increased the seats to 400 seats, at least in the registered nursing program. The LPN program is sort of a moving target. It averages around 120 to 160 seats per year, and that depends on basically how many people are interested and want to get into the program. That program is also delivered, you know, out in some of our rural areas as well, so it all depends on who's interested. So we graduate around 220 registered nurses each year.

You're correct; we haven't been doing a good job of keeping them. This is our first year that we've actually seen this kind of an increase on this. So it's one part of managing sort of our

supply issues. It isn't the whole thing as you mentioned. We've got to retain and, you know, shuffle the deck as best we can.

What people across the country are telling me and my counterparts are telling me, basically, is that if you look very carefully at staff skill mix and get the people who have the best abilities to do the job, you can then look at who have other abilities to do other jobs. We have to . . . One of our key things here is to use everybody as much as we possibly can in an appropriate manner.

So we are talking about ramping up graduates. As you might know, the SRNA's latest resolution this year was to ramp up at least 150 seats. That's what they believe is required. And we have had conversation already with the nursing education program of Saskatchewan, and they feel quite confident they can manage this. They have to look at faculty and infrastructure and all of this. That would go a long way.

The key thing here though is our attrition rates too, because we've got a 20 per cent attrition rate. So after year one, we're losing 20 per cent to these people. I need to understand that better — why we're losing them. Are they, you know, are they not going into nursing and thinking yes, maybe this isn't so great after I have to touch a patient. Because we had one in the second degree entry option here last year who went out because, once they found out they actually had to touch patients, they didn't want to be a nurse any more.

So a lot of it is basically to look at really what is going on in our workplace. And that is something that I can't tell you right now. I can't tell you patient acuity to a certain extent and how it bridges in to sort of what I need for a nurse on the floor. If I'm on the floor and I'm working with the patients and who I've got, I know that. I know it through experience and intuition. I don't have the tools to say. So until we understand sort of what we have out there . . . because our hospitals have very sick people and we need to understand who the best is.

One project that we're working or going to be working with in Ontario is health outcomes for better information and care. And they have actually quantified this to a certain extent. And they're looking at nursing-sensitive indicators to help.

The Chair: — If the Chair could just interject, I just want to make sure that all of us on the committee understand the numbers we're talking about. You're saying that there are how many seats, nursing seats, available right now in Saskatchewan?

Ms. Digney-Davis: — Yes. There's 400 registered nursing seats.

The Chair: — Four hundred. And you're saying you're looking at 90 per cent of those intend to stay in Saskatchewan.

Ms. Digney-Davis: — We're working on that.

The Chair: — But you're saying that there's a 20 per cent attrition rate. In other words, 20 per cent change their mind. So that's 70 per cent of the 400 that you expect would stay in Saskatchewan.

Given the fact . . . How many nurses are you projecting each

year would retire from the profession?

Ms. Digney-Davis: — You know it all depends. We had a number here . . . What was it, Bonnie? About 30 per cent is what we projected, and that was based on over five years, some work done by Doug Elliott in regards to sort of what he saw as the trends. We can't say that for certain.

People are coming back into nursing after retiring too. Basically what they can do is they can retire. And then if they re-enlist, so say within the first month or so, they can come back in and retain their seniority. So we've seen quite a few people go out and come back in because they can then more choose their hours and the type of work that they want to do. So retirements are one number.

I honestly can't pin a number for you. That's what we'd need to do to understand what exactly we need. We can't pin a number.

The Chair: — So do we know whether we're losing nurses or are we . . . Because there's a shortfall. Are we still continuing to lose total number of nurses?

Ms. Digney-Davis: — No, actually we're actually keeping most of them. The SRNA, their recent information just said that we're staying level. Like we're not gaining, but we're maintaining. We've maintained about 8,500 here over the past little while. We had a little dip back in 2003, but we've regained that so they're not migrating out as much. And the young people that I talked to this year, the reason they said they were leaving: they wanted to stay, but partners couldn't get jobs in the province to suit them.

The Chair: — Okay. Well thank you for clarifying that. Mr. McMorris.

Mr. McMorris: — Yes, one other question on the numbers. Since we have 400 seats and there's 20 per cent don't continue on, but you also then mentioned that we're graduating about 220. So that's certainly more than 20 per cent. How does that number work then? I mean, because that's more like 50, almost 40 per cent attrition.

Ms. Blakley: — The shortfall of 400 that was documented in the plan was only based on the number that we are graduating. It wasn't based on the 400. So if we're only graduating 220, it used that. It didn't use the ultimate number. I mean if we were able to keep all of them, then the number actually would show that the shortfall would be less.

We assumed the worst-case scenario . . . is that we would, say, have an attrition continuing of 20 per cent and we'd only retain . . . all of them hopefully. But still that would only be 220 per year. So we didn't add 400 per year as keeping; we only added the 220 assuming the worst-case scenario.

Attrition in Saskatchewan though is not near as bad as in other jurisdictions. For example, in Nova Scotia they're finding it's 25 to 30 per cent attrition. It's one of the struggles we're having in the health sector actually — not just in nursing but in other areas. Students tend to be going in. And whether they're not clear on what they're entering or if they maybe are not strong enough in their maths and sciences, then we're finding them

exiting. So attrition is not different.

The other thing about the retirements I just wanted to mention. What's fascinating about Saskatchewan is the Canadian Nurses Association said that other jurisdictions see nurses retiring earlier. Saskatchewan tends to see its nurses wanting to stay in the workplace longer. So trends and forecasts that have been used in other jurisdictions may not stand true for Saskatchewan because we have nurses staying in the system longer. It's one of the issues we have with trying to identify future retirements.

Mr. McMorris: — But I still am not clear in my own mind. If we have 400 seats, 400 people going into nursing year one — and of course there's going to be some dropout because it's not the profession they chose — but we only have 220 coming out at the bottom end?

Ms. Blakley: — Because it ramps up. We've only gotten to 400 now so in fact we're not going to see an exit potential of 400 for four years. So actually what you're talking about is the 290 that we had. So we think we're going to get 220 out because it would have been 290 four years ago. So we're not basing it on the 400 until the point at which we would get graduates out.

Mr. McMorris: — Okay.

Ms. Blakley: — Sorry.

Mr. McMorris: — That clears it up for me.

Ms. Blakley: — Hopefully that clears it up, sorry.

Mr. McMorris: — Thank you. And so when do we expect that, you know, 400 coming through? Did it just start this year? Has it been two years? It's a four-year program I realize. So in two years we can expect 350 or 320 nurses graduating?

Ms. Blakley: — It just started this year, but what also started this year was a second degree option. So we have 50 seats that allow for nurses to get through the system in two years. But you're probably . . . What we're anticipating is you will see in four years from now 400 graduating. Well hopefully we can limit the attrition rate. But if it continues, it would . . . 20 per cent less that.

Mr. McMorris: — Okay.

Ms. Blakley: — The other, may I just . . . Sorry, and I also want to . . . I know we're talking a lot about the NEPS program, the nursing education program, but also we have our licensed practical nursing program as well which we get nurses out in two years. And we have two eighteen seats right now, -ish, and then the additional Kawacatoose LPN program, and we're also looking for ramp-up in that area.

The Chair: — Just before I recognize Lon, just on the LPN service, I'm aware of some Saskatchewan nursing students who have taken the LPN program, and they've had to take it in Alberta. They weren't able to take it in Saskatchewan. And then they found that they also have to go to Alberta to do their practical, and in some cases they have to leave family for several weeks or months. Is that problem being addressed?

Ms. Blakley: — Yes that's an interesting one. First of all, the LPN program is offered by technical institutions, and in any given year it depends on sort of what their capacity is to take in students. So there is potential that students, if they don't fill the seats, may potentially have to take a program somewhere else. That's why we're looking at some additional seats.

The interesting thing about doing practicums or clinical placements is that ... That's one of the reasons we implemented a strategy for clinical placements was to better able to keep students here. But what's interesting is in some parts of the province we actually take students from Alberta to do clinical placements. It's a vice versa thing. It sort of depends sometimes on where the availability of placements are. So for example in the Lloyd area, lots of times we'll take placements from Alberta into Saskatchewan, and there's some in Manitoba as well. And sometimes they take our placements. It's not ideal, but sometimes it's what has to happen if we're trying to balance sort of what the employer's able to handle and where people are within their training program.

The Chair: — Mr. Borgerson.

Mr. Borgerson: — Yes. Just before we leave the attrition rate — I think you've touched on this — but what factors do you see, and what kind of analysis have you done in terms of that attrition rate? And subsequent to that, there is an attrition rate in every college in the university. I don't know what it would be for other colleges such as Education and Medicine but could have just a bit more detail on that.

Ms. Digney-Davis: — The analysis done by the College of Nursing in regards to the attrition rate indicates that year one is what I would call party 101 for some young people. It's their first year university. They get in, and they don't quite know. Some of it, it just isn't what they want to do.

The 20 per cent rate is actually lower in Saskatchewan than other areas in Canada. Other nursing universities in Canada are experiencing anywhere between 25 and 30 per cent. So we have done a better job with, you know, with helping people. Other colleges in our own university experience 33 per cent attrition rates.

So it basically boils down to, you know, people may be getting into a program and not quite understanding what the program's about and then having other choices and abilities to go elsewhere.

Mr. Borgerson: — I raise that question because I worked in a teacher education program where I think the attrition rate was about 20 per cent in first year for exactly the same reasons. But I'm curious to know in terms of the selection process if you have looked at, you know, whittling that down to some extent.

Ms. Blakley: — Yes. Actually what we're trying to do with some of our programs is do pre-programs before they enter so in fact you're actually ... ensure that they are ready for it. So for example some of the LPN programs we've had, they're actually doing some pre-work with the students in high school to sort of ensure that readiness which should help with the attrition rate. And certainly there's a selection process. But like all of us know, I entered something else entirely when I first

started university, and here's where I am. So you know, sometimes it's just about that.

The other, I think, issue is that sometimes family or change in circumstances in life dictates. And the other thing that we're finding is that sometimes — and this is the one reason the bursaries have been such a good thing — that lots of times if you're from a lower socio-economic status, it's a financial burden. And some of our medical programs or some of our health programs are very long in nature and costly, so it's important to ensure we've got supports that way. So I think that sometimes contributes to attrition as well.

Mr. Borgerson: — I'll just ask one other quick question. Which is the crunch year in terms of the RN [registered nurse] program? In Education I would say probably there is a pretty high attrition rate in that first year, but the real test is that fourth year when they do internship. And that then is what I would consider the crunch year.

Ms. Digney-Davis: — Sure. We tend to see the first year in nursing, particularly registered nursing, as the crunch. They're doing their sciences. They're just sort of getting in on the wards, finding out what they're doing in first year. Once you get them past first year, you basically keep them.

The Chair: — Mr. McMorris.

Mr. McMorris: — Thank you. We've spent an awful lot of time here on the nursing side of it, but the physician recruitment is just as huge. And I mean if there has been one thing I've heard from our side of MLAs is in rural Saskatchewan recruiting doctors into smaller communities is practically impossible, they seem to feel. And what I'm hearing is that ... And I know the member from Cypress Hills asked these questions in the legislature one evening in estimates about whose responsibility is it. Is it the health authority? Is it the Department of Health? Because frankly I think most of the communities are feeling it's up to them. If they don't do it themselves, it's just not going to get done.

So can you maybe tell us what the department is doing right now as far as physician recruitment as part of the workforce action plan, even though we spent 45 minutes on the RN area, but as far as physicians because that is really becoming a huge concern for many rural communities.

Ms. Blakley: — First of all I'd just like to comment on recruitment to rural, you know, remote and northern locations. And although I know you specified physicians, what we're actually finding in the research that we're doing is that the recruitment issue is a recruitment issue to place, not necessarily by profession.

What we're finding in rural areas is it's more about the location and the difficulty to recruit than it is about what kind of health professional. So in some areas, public health inspectors are difficult to recruit, and it's the same area that the physicians are hard to recruit, which is the same area that we're having troubles recruiting LPNs. It's the location. And so we're looking for opportunities to do work to enhance that location's ability to recruit.

You're right in terms of physicians. We have right now a little over 50 per cent of our physicians are foreign-trained physicians, and that's why, one of the reasons we wanted to ensure that we allow for that to continue, but at the same time ramp up our additional capacity. We can't, as you said, just keep shuffling the deck. We have to actually increase capacity. And so we're looking at increasing our number of training seats because in that way we know that our young people, if going through our training programs in our province, are more likely to stay in the province than if we bring them in from outside.

In addition I just wanted to comment that regional health authorities have the responsibility for recruitment. Even with the workforce action plan and the recruitment agency, our job is to link new employees or potential employees to the employers, and it's their job to do recruitment. Certainly though, in Saskatchewan we're a province of consultation. I mean if we've done anything right, that has been it.

And I know that regional health authorities work well and try to dialogue regularly with the communities to ensure that as they recruit health professionals, that communities are on side as well and that there's an ability to sort of determine responsibilities and work. And communities do have a role to work with their regional health authorities to ensure that we get the people we need there.

Mr. McMorris: — I guess, just from what I'm hearing from our MLAs though, it doesn't seem like . . . Maybe there's dialogue, but it just doesn't seem like anything is getting done, that recruitment is extremely tough.

You were mentioning though — and we've talked about it — the training seats in the College of Nursing. For the College of Medicine, we're at 60 now. What is the department — and again I know it's partially post-secondary — but what is the department looking at? You've, in your opening remarks, talked about increasing the number of seats. What is the department looking at? We're at 60 now; that's certainly not sufficient.

Mr. Wright: — Right. Mr. Chair, we're looking at an increase. I believe the Saskatchewan Medical Association has recommended an increase of 20 seats, which would take us from 60 to 80. You're absolutely right. And as well, dealing with the residency seats — which is individuals who have graduated from the undergraduate program — right now we have 60 seats on balance. There's a mix in there. And they're recommending that we go to another 12 seats for that.

So this will be likely part of our consideration as we move forward dealing with next year's budget. And I'm quite optimistic, shall I say. One never knows through the budget process, but I'm quite optimistic that we'll make some successes there.

I'd also just want to comment, Mr. Chair, we do have an extensive array — perhaps the most extensive in all of the country — array of programs and initiatives that we negotiate with the Saskatchewan Medical Association, over \$20 million each year in a variety of recruitment and retention initiatives. And some of those include dollars and cents for rural and remote.

It is difficult. It really is. And in some cases, to be blunt — for example, Eastend currently trying to recruit a physician from South Africa to come in — we have issues with immigration and the delays dealing with that. We also have issues when, as Bonnie mentioned, a little over 50 per cent of our physicians are from other countries. We have issues around their credentialing and their ability to operate within the province.

So it is challenging. It's multi-faceted, but we're trying to move forward in a number of ways.

Mr. McMorris: — Like with nursing, there's a lag time. I mean, if we increase our seats by 10 or 20, we're seven to eight years down the road before we see any benefit at all. And it just seems like we're really kind of lagging behind.

I mean we're in a crisis situation right now with doctor shortage. And we're looking at the solution in eight years time, and I realize you just can't speed it up like that. But unfortunately this should have been seen, you know, eight years ago. I mean, eight years from now we're going to say, well we've increased the seats by 10, but we really needed to increase them by 30 because we're going to still be behind.

It's the same with nursing. You know, when you do the numbers, in four or five years when that 400 graduating class comes through . . . You know, we're probably losing 600 nurses and we've got a graduating class of 400. It seems like we're being two steps behind. And I think that's indicative of some of the experiences people have in the health care system because of shortages. I mean you can't expect 7,000 nurses to do the work of 8 or 9,000. And so we just seem to be two steps behind.

And in increasing too the College of Physicians by 10 or 12 or 15 . . . You know we increased it by 20, I guess, a couple of years ago, but now we're increasing it again. It just doesn't seem like there's any long-term projection, and that's I guess how we started out. What are the needs five years and ten years from now, and let's start addressing them now. We seem to be reactive instead of proactive.

Mr. Wright: — If I may ever so briefly, Mr. Chair . . . The number of physicians in this province has been increasing each year for the last several years. I only have the statistics in front of me for '04-05 and '05-06 where general practitioners have gone from 741 to 767 and specialists have gone from 524 to 534.

In terms of general practitioners, we have more general practitioners per capita than the Canadian average. But we do have a significant shortfall in specialists, and that's a key area for us. So it . . . Well it has been increasing. The population has been basically stable. We recognize the challenge. Clearly we have about a 10 to 11 per cent turnover in the number of physicians each and every year.

Now in terms of that, you're right. It's not just graduating. It's things like the recruitment and the retention agency. It's also things like nurse practitioners and in some cases a declining population. Podunk — the mythical town, a declining population, relatively isolated — may not be able to support a physician.

We have opportunities with nurse practitioners, and we have opportunities with enhanced primary health care sites without physicians being located there. And that's part of our job . . . is to enhance the number of sites, to enhance ways in which solo practices can be maintained, to get nurse practitioners out there. And in terms of nurse practitioners, we have more per capita than anywhere else in the country, I believe. We have the highest number, and we have an excellent program up in the University of Saskatchewan that's graduating more and more each and every year.

Steps are being taken. Hindsight is very important. History is a lesson to the future. But we're here today, and we're moving on a number of fronts.

Mr. McMorris: — Certainly nurse practitioners is the way to go. It seems like there's been some struggle though to get them up and running, I guess. You know, there's been some reluctance, I think, through physicians to have nurse practitioners out there. I think there's a number of issues around that whole nurse practitioner scope of practice and things like that that seem to . . . I think it's a great idea. It just seems to be a little bit harder to implement and have actually working then. I mean the theory's great.

And I'm interested though when you say that we have more physicians per capita because we continually hear physicians aren't taking new patients and people are having trouble finding a physician. But we certainly know the shortage in specialists. And whether it's oncologists . . . I mean, when we're almost three times the national average for first visit to an oncologist because of shortages, you know those are huge concerns.

So I think we're almost drawing to a close here, but I'll let you answer the question.

Mr. Wright: — Mr. Chair, if our chief nursing officer could speak to the NP [nurse practitioner], and I can speak to the oncologists.

Ms. Digney-Davis: — Nurse practitioner, as you know, is new. Basically we've been licensed, been licensed since about 2004 in the province. It's right new right across the country. Because of that, it takes people a little time to understand sort of what the role of a nurse practitioner is, what this person can bring to a community or into a practice or whatever. And physicians are taking their time to sort of understand the role, understand some of the concepts and liabilities and that around the role as well. It's taking more time than we had anticipated.

Do we have some good news? Yes, like people are getting their training. We've got about 85 licensed nurse practitioners in the province right now. A lot of them are providing service in our rural areas and mostly in our northern areas. The North is really benefiting quite a lot because the people are moving up to take these jobs.

Do we need to do a little more work with the physicians? Yes. It's to help them understand sort of what the role is about and what it can bring to their practice as well.

Mr. Wright: — And, Mr. Chair, ever so briefly, all oncologists absolutely recognize the situation around that. In fact I'm led to

believe — and I'll confirm this later — that the cancer agency is either in the process or has hired two new oncologists. I believe one is in place and one will be coming shortly. It is difficult. And we've been working with the cancer agency to see what can be done.

Mr. McMorris: — I'm curious to know if the department does any sort of exit surveys when physicians leave and specialists leave because there's been cases where, you know, when they leave they've spoke out. And they've had some harsh things to say about the system, and unfortunately it's through the media. And I'm wondering if the department has done any sort of exit survey to hear those concerns and then hopefully address them so the next specialist doesn't have to go through the same thing.

Mr. Wright: — Mr. Chair, I'll turn it over to Bonnie. Before I do, I just want to comment that there are two sides to every coin. And you're absolutely right. There are from time to time harsh comments — and I can think of several — and there's another side to that coin occasionally. But with that said, I'll pass it over to Bonnie.

Ms. Blakley: — A couple of things I just want to comment on actually. I think you asked me a similar question or you asked a similar question last time we were in about exit/entry surveys for other health employees. And as I mentioned then, we're working hard with the regional health authorities to establish exit and entry surveys for all employees in the health system. And those could also be used for physicians to ensure that we're asking the same questions and we're able to basically compare cross-jurisdictions. And that tool is two years in the works and will be up and running.

The other thing is that we currently though . . . The regional health authorities do often meet with employees when they're leaving to talk about why they're leaving and sort of what the issues have been or if there's something that they could have done differently or if it was a personal decision based on family. So they do it directly as employers.

And in addition, when letters are written to the minister or anybody else about having to leave or their concerns, we obviously take those seriously into consideration when we're developing further programs and so their voice is heard in that way.

The Chair: — We are going to move to a short question by Mr. McMorris and a short question by Mr. Cheveldayoff, and I have two or three short questions. Then we'll get to the recommendations.

Mr. McMorris: — Yes. One last comment or question regarding recruitment of physicians and especially specialists, how often do the specialists in the community . . . do they contribute or are they asked to contribute as far as recruiting? I think most of the time — just from experience in the Regina area — that quite often if another specialist comes, they're recruited by the specialist that's there. And again I know there's two sides to every coin, but I've heard from specialists where they've said, you know we'd like to get involved to help recruit but our services are never needed. They're not asked for or not welcome. And that is a little disconcerting if that's true.

Mr. Wright: — Mr. Chair, I can't comment whether or not it's true. But certainly one of the greatest recruitment tools is your neighbour, those in the profession attracting colleagues. Certainly we've attracted over the years quite a few individuals graduating out of South African schools, and they have recruited colleagues, friends, neighbours, classmates and so on in the physician community. I don't know if this is the case that all people are encouraged to come forward with this. Certainly I would encourage them, and I can take it upon myself to have a chat with the chief executive officers of the regions to encourage them.

Mr. McMorris: — Has there been any concern raised from the federal government that — recruiting from South Africa is where we seem to get the majority of our physicians — that South Africa is not too happy with us or Canada? Just like if we saw a large number of our nurses, 50 per cent of them going to another province because of the strong recruitment from other provinces, that's not . . . You know I mean you're going to lose a certain few but recruiting so heavily and relying so heavily on foreign physicians like we are. So I guess I had heard at one point that the federal government was concerned with some of the comments coming out of South Africa.

Ms. Blakley: — Concerns about recruiting any health professionals from other countries has been on the rise because we have a shortage internationally. And the Government of Canada has spoken about ethical recruitment. We took that very seriously in Saskatchewan particularly for two reasons. One is initiating a provincial recruitment agency. We wanted to ensure that when we're recruiting health professionals from abroad that we're doing it ethically. And what the federal government has said, saying your door is open is one recruitment style. Actively recruiting, going to a country and you know putting them on a plane to come here is another type of recruiting.

So we actually have the Canadian Policy Research Network doing some research for us, international research, on ethical recruitment policies to ensure that we're doing it in an ethical way. And we're the only province to do that.

The other thing is that we have a large Aboriginal community here, and we want to ensure that at the same time we're recruiting we're also developing our own skills with our own people. And the plan does that; it looks at both ends. We can't just do one or the other. So certainly we recognize Canada's and our own concerns about ethical recruitment and are working to ensure that we're doing it in an ethical way.

The Chair: — Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair, interesting discussion this morning. Mr. Deputy Minister, just the overall question to you, are you aware of any fraud, suspected fraud, or alleged fraud within the department with any managers, employees, contractors or partners that you're engaged with at the present time?

Mr. Wright: — Briefly, Mr. Chair, the department is unaware of any fraud or illegal activities at the present time. Internal controls have not detected any fraud or illegal activities. The Department of Finance, internal audit, and the Provincial Auditor have not detected any fraud or illegal activities. No tips

have been reported to indicate fraud or illegal activities are occurring within the department.

The Chair: — You guys are being quite organized, both of you. It's quite impressive. Thank you. Just a couple of quick questions, first one is to the auditor. On page 24 at the top of the page, the statement is made that public and private health spending on physicians and other health professionals in Saskatchewan was just over \$4 billion. I'm just curious. Is that just spending on personnel, or are there other costs included in that \$4 billion?

Mr. Heffernan: — It's just personnel.

The Chair: — That's just personnel. How much of that is public spending, and how much is private spending? It doesn't say, and it says over four billion. It doesn't give us an exact amount . . . [inaudible interjection] . . . So that's someone else's research and you're just reporting it?

Mr. Heffernan: — We assume it's public spending I guess. We could provide an answer but I'd have to go back and do some . . .

The Chair: — The deputy minister wanted to . . .

Mr. Wright: — Generally in Saskatchewan public spending represents 75 per cent of overall expenditures; 25 per cent is in the private. In the Canadian, it's 70 per cent is public, and 30 per cent is private. So just applying that in general terms.

The Chair: — Has the percentage changed in Saskatchewan over the last 10 years?

Mr. Wright: — No, Mr. Chair. It's remaining relatively constant.

The Chair: — And the other question I have for the auditor is that on page 31 under the first paragraph under background the statement is made that the government has over \$2 billion invested in infrastructure in the health sector. I'm just curious as to what . . . Is that \$2 billion the actual dollars that were invested over a long period of time, or is that the current book value of the services and whatever materials or capital costs? Would you just explain what that exactly means?

Mr. Heffernan: — That would be the original cost of the existing infrastructure.

The Chair: — So that's the original cost, is it?

Mr. Heffernan: — Yes, and I think about half of it's amortized, so I think the net is about a billion.

The Chair: — So the actual book value of our health care infrastructure is about \$1 billion in Saskatchewan.

Mr. Heffernan: — That's what we actually paid for it. We also amortized it over its life so that someplace else I think we say the infrastructure is about 900 million.

The Chair: — So is the value of health infrastructure in Saskatchewan rising or falling?

Mr. Heffernan: — It might be rising slightly. It's ongoing.

The Chair: — And would you know how that compares with other provinces on a per capita basis? Have we invested more in infrastructure in Saskatchewan or less?

Mr. Heffernan: — No, I don't know.

The Chair: — Okay. I am curious about that. Last comment, and the deputy minister may want to respond. We recently had an official from the College of Physicians and Surgeons who made a rather astounding statement to me that the College of Medicine in Saskatchewan actually encouraged doctoral candidates from rural Saskatchewan not to go back and practice in rural Saskatchewan, that it was a wrong or poor career move. Are you aware of this? And if so, are you doing anything to counter that?

Mr. Wright: — I'm not aware of it, Mr. Chair.

The Chair: — Well it was certainly disconcerting to me, and you know obviously it's something that you are now aware of. So we're glad to pass that on to you.

There are five recommendations. There are no other questions; we have used our time that was allotted. There are five recommendations in chapter 2 that have been presented by the Provincial Auditor. The first recommendation is on page 28, and I will read that recommendation for committee members:

We recommend that the Department of Health present information on significant shortfalls or surpluses in human resources in its health sector human resource plan.

Is there a motion? Mr. Borgerson.

Mr. Borgerson: — I'll move that we concur and note progress.

The Chair: — The motion is to concur and note progress. Is there any discussion on the motion? Seeing none, we'll call the question. All in favour? That's carried unanimously.

We will move to recommendation no. 2 on page 29:

We recommend that the Department of Health present information on succession planning and development strategies for its current workforce in its health sector human resource plan.

Again, Mr. Borgerson.

Mr. Borgerson: — Yes again I'll move that we concur and note progress on that recommendation.

The Chair: — Again a motion to concur and note progress. Is there any discussion on this motion? Seeing none, we'll call the question. All in favour? Again that's carried.

We will move to resolution no. 3 on page 36, or recommendation I should say:

We recommend that the Department of Health and other health agencies publish adequate information about the

condition and potential volume of service of their facilities and key equipment.

Is there a motion? Ms. Crofford.

Ms. Crofford: — I'll move concurrence.

The Chair: — Motion to move concurrence. Is there any discussion on the motion? Seeing none, I'll call the question. All in favour? That's carried.

Recommendation no. 4 on page 37:

We recommend that the Department of Health and other health agencies publish performance measures, targets, and results that show the extent to which the use of their key infrastructure achieved their operational and financial plans.

Mr. Borgerson.

Mr. Borgerson: — Mr. Chair, I have to ask a question. You alluded to this at the start. How much work has been done in this area? This seems like a mammoth undertaking, and with every mammoth undertaking there is a cost.

Mr. Wright: — Indeed, Mr. Chair, it is a mammoth undertaking. But as I indicated earlier for 2006-2007 our accountability documents with the regions should meet the requirements of the Provincial Auditor. We're looking forward to working with him on this. So we like to think that mammoth tasks require mammoth and passionate people, and indeed that's what we all are.

Mr. Borgerson: — Charming people of course. Yes. I'll move that we concur and note progress on that.

The Chair: — A motion to concur and note progress. Any discussion on the motion? Seeing none, we'll call the question. All in favour? Carried.

And the final recommendation is on page 38, no. 5:

We recommend that the Department of Health and other health agencies publish adequate information about the strategies used to manage major risks facing their infrastructure and their actions to reduce those risks to an acceptable level.

Is there a motion? Ms. Crofford.

Ms. Crofford: — I'll move concurrence.

The Chair: — Again a motion to concur with the recommendation. Is there any discussion on the motion? Seeing none, we'll call a question. All in favour? That again is carried.

Thank you, Mr. Wright. You wanted to make another comment.

Mr. Wright: — I just wanted to thank all members of the committee for what was a passionate and lively discussion. Looking forward to more into the future. There's two more sleeps before the Rolling Stones, and may I wish you all a

wonderful Thanksgiving for you and your families. Thank you.

The Chair: — Thank you very much, Mr. Wright. Thank you and your colleagues for appearing, and thank you, Mr. Heffernan, for your report. We will move on to the second item on the agenda as soon as the witnesses can take their place.

Public Hearing: Government Relations

The Chair: — Colleagues, we will continue the meeting. We are at item 2 on the agenda, and that is the review of chapter 8 of the 2006 report volume 1, on Government Relations. We have present with us Deputy Minister Lily Stonehouse. And I hadn't realized you had moved to this department. We've seen you in the past under the Environment portfolio, so we welcome you and your colleagues here — some new colleagues I would expect that you will want to introduce.

Prior to that though, we will have the summary of the chapter from the Provincial Auditor. I believe Mr. Ahmad is giving the summary. It's quite a short chapter. I also understand you might want to table a document at some point in this morning's proceedings, so we will give you that opportunity as well. So, Mr. Bashar Ahmad, we will turn the floor over to you.

Mr. Ahmad: — Thank you, Mr. Chair, and good morning, members. Chapter 8 of our 2006 report volume 1 begins on page 98 and reports the results of our audit of the Northern Revenue Sharing Trust Account — that is NRSTA — for the year ended December 31, 2005. The Department of Government Relations is responsible for NRSTA.

In this chapter we repeat one recommendation and make a new one.

The repeat recommendation requires the department to set up a process to oversee NRSTA's operation. We continue to make this recommendation because, although the department has made progress to address our recommendation, more work remains. The department has set up a process to oversee NRSTA, including review of quarterly financial reports, prepared in accordance with GAAP, that is, generally accepted accounting principles. However the financial reports that are provided to the department were not prepared in accordance with GAAP. The reports did not include all revenues from lease fees and the amounts NRSTA owes and others owe to NRSTA. The department must ensure it receives adequate financial reports to oversee operations. Inadequate reports could lead to incorrect or inappropriate decisions.

We make a new recommendation on page 101. The recommendation requires the department to monitor fuel prices in the northern communities to ensure they are consistent with the prices set out in the fuel supply contract. To help ensure residents of northern communities have a steady and reliable source of fuel products, the department made a contract with a company to supply fuel products to the public in the designated northern communities. Under the contract, the contractor buys the fuel from the department and sells to the public at the agreed price. However the department does not monitor the price the contractor charges for selling the fuel product to the public. Without monitoring, the public may pay more than the contract specifies for the fuel products.

And that concludes my comments.

The Chair: — Thank you very much, Mr. Ahmad. Ms. Stonehouse, again welcome. If you want to introduce your colleagues and respond, this is the time to do that.

Ms. Stonehouse: — Thank you, Mr. Chair. You're right. I am newly appointed to the department, and so I've brought a big team to help answer your questions today. With me is assistant deputy minister of municipal relations, Maryellen Carlson; Wanda Lamberti, our executive director of central management services; Irma Molnar, behind me, manager of financial services; and Tony Bunz, the manager of financial services for the northern area.

I do have a few comments if I may.

The Chair: — Yes, go ahead.

Ms. Stonehouse: — I'm pleased to have the opportunity to talk to you today about the Northern Revenue Sharing Trust Account. I, as always, appreciate the auditor's advice here, and we've been working diligently for a couple of years now in terms of the progress on that advice. And we've made continued progress this last year in addressing the concerns raised.

The department has specified the key information it must receive regularly from management of the NRSTA, and it continues to review and enhance the quarterly reports on NRSTA operations. Procedures for preparing these reports are set out in the approved policy and procedures manual. Improvements have now been made which include changes in the manner we account for Saskatchewan Environment lease fees. Quarterly reports contain estimated costs on capital works in progress as well as explanations of anticipated variances from budget. We believe this information is sufficient to identify and take corrective action if required regarding any risks associated with the projects. In addition as outlined in the NRSTA policy and procedures manual, clear processes have been established and are followed to protect the NRSTA against improper charges.

Year-end reports do comply with generally accepted accounting principles and public sector accounting board guidelines. The department believes that the delay and additional costs associated with preparing quarterly financial statements which are in full compliance with GAAP would not provide significant benefit to the department for its oversight of NRSTA operations. We are satisfied that adequate and effective information is provided in our quarterly reports for monitoring the NRSTA over the course of the year.

The department is pleased to report we've addressed the Provincial Auditor's concerns regarding the monitoring of the fuel supply contract in the northern community. On a quarterly basis, the vendor who sells fuel products in the community submits a detailed listing to the NRSTA of product sales along with the prices charged. The detailed listing of product sales is produced from the vendor's computerized accounting system which is also utilized for reporting purposes to the Department of Finance. NRSTA staff cross-check the detailed listing against the volumes ordered and sold to the vendor and ensure that the

price of fuel sold is in compliance with the contract.

Another very effective control feature in the monitoring of this contract . . . is performed by the local advisory committee which posts the maximum fuel prices permitted under the fuel supply contract. Residents of this northern community are very cost sensitive to fuel and would promptly advise our department of any discrepancies regarding pricing.

In conclusion, I believe that we've strived to address the concerns raised by the Provincial Auditor, and we will continue to work diligently in monitoring NRSTA operations. We'd be pleased to answer your questions.

The Chair: — Thank you, Ms. Stonehouse. Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Madam Deputy, welcome to you and your officials in our committee meeting this morning. I'm glad to hear some of the things that you said in your opening statement. I guess we were very concerned when this first came to our attention about the Northern Revenue Sharing Trust Account and its operation, some of which is highlighted by the auditor.

If you could just take the time to explain to us why we saw this problem with not following the generally accepted accounting principles, I was quite surprised that, you know, the quarterly reports didn't follow that. And can you just outline to us where the breakdown was, whose responsibility it was, and how you've chosen to correct this?

Ms. Stonehouse: — I'll start and then the people who really know will add some detail I'm sure. But as I understand it, the auditor's concern is primarily that we're not using actual costs in our quarterly reporting but rather are estimating those costs on the basis of our experience and our informal knowledge of the projects. And we're concerned that making the effort to get actual costs from a number of subcontractors and a contractor would actually give us a less timely report, be more expensive to undertake, and not provide us more value than what we're already getting through the informal reporting process we're using. Tony, you might want to talk a bit about what we do do.

Mr. Bunz: — I believe there are concerns relayed in a couple of areas to grant programs that the trust account has and a big one being the northern water and sewer program. And unlike, I guess, a program where the city of Regina or the town of Humboldt might be running a project, and they have control and people in place right in the community . . . Because of distances involved, we are working with 34 communities, and we can have up to a dozen projects running at the same time, various states of complexity.

And we work with SaskWater, who is our project manager. We don't have the resources to project manage it ourselves, so SaskWater does that. They work through engineers for the design work and the actual control on the project.

Once the projects are tendered and the tenders are approved, the costs are known, and so the total cost of projects are known. If anything happens along the way that exceeds a project cost by 10 per cent or \$50,000, they will notify us. And we have to then meet with the board and the community and people involved to

see how we can keep these costs in line or whether we have to approve an overrun. So we have that oversight information. I think that protects the trust account from any excess billings or work that's done.

Now on a quarterly basis and on a monthly basis, we have a general knowledge of the progress of these projects in each of the communities. But the contractors as well are not located. The main offices of the contractors aren't related in these communities but mostly in southern communities where they have work crews.

So to get valued information of exactly — let's say — at June 30 of what cost was actually done so we could accrue those costs in our quarterly report, they would have to contact the field, which would take time to get information back. And again because of distances, then they'd have to actually go to their main offices and do the costing on it. The engineers would have to approve it. And by the time we would get the information, I think our quarterly report could be delayed by possibly a month. And also, every step along the way, if we had the extra administration, there's going to be a cost associated with that.

Now in summarizing, if we've got the cap of 10 per cent or \$50,000 and SaskWater is our contractor or our project manager on it, we do forecasting in the quarterly report on all the projects not only that are going but on the program in total. And so I think we, in Northern Municipal Services in La Ronge, in managing the trust account and the department in Regina, I think feel very comfortable that we know the total cost of the projects and where they're going to end up.

Not accruing some of these costs become a timing issue between months, rather than a total dollar discrepancy or variance. And anything that is, as Lily pointed out, anything that is forecasted to go over on any of the projects, we explained that in a variance analysis in a quarterly report.

One more point on that is we have weekly management meetings. And anything that is going wrong with the projects or if there is any chance of in having any problems, they're discussed also between my director and our ADM [assistant deputy minister] in those weekly management meetings. So I think that the department feels that they're apprised of anything that can happen.

There are a couple of other areas with the grant programs, but I do believe that that is the most significant one in terms of dollars that we are not accounting for GAAP in.

Ms. Stonehouse: — I just would reiterate that the issue is about precision in the quarterly reports. It's not about the end-of-year report which is precise and does take into account actual cost.

Mr. Cheveldayoff: — Thank you, Madam Deputy. I guess my concern, you know, is from the statement of the auditor that not all revenues from lease fees were included, all amounts NRSTA owes to others, and all amounts others owe to NRSTA. You know, it just seems that that's all-encompassing here, that we're lacking a substantial amount of information. Can I ask the auditor, is that indeed correct that the annual statements are reflective of the accuracy needed to give confidence to your office?

Mr. Ahmad: — Yes, Mr. Chairman. The financial statement of the year-end, they were correct, and they were adjusted. The issue is that the quarterly financial statements, they do not follow GAAP. So they don't record all the revenues from the lease fees basically because they don't have that information. What I'm saying is that they must have the minimum information to make the better estimates and make sure that there is no surprise there at the end of the year.

Mr. Cheveldayoff: — Has it been your experience, have there been variances at the end of the year from the quarterly reports of substantial . . .

Mr. Ahmad: — There have been. There have been, Mr. Chairman. There have been some adjustment at the end of the year, yes.

Mr. Cheveldayoff: — Do you have any advice then that you can offer the department or any help, or can you work with them to try to get these reports up to standard?

Mr. Ahmad: — We have been talking to them, and they have, during last year, they had hired some professional help to set up their processes, and they have those process in place. And I'm expecting that there will be some improvement during this year.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Madam Deputy, can you just reiterate to us then and the committee your undertaking over the next while on how you will address the auditor's recommendations?

Ms. Stonehouse: — I would reiterate that we've been working on this and making significant improvements over a couple of years so that we now have procedures in place and have checkpoints in place.

We will continue to improve as we can, but I am not confident that we can get to a point with a timely quarterly report where we have actual data from the field. We have however made changes in terms of the environment leases, and we are using that real data.

So we continue to use an informal management process by which we estimate. We continue to have controls around the projects which we believe maintain our ability to protect the fund and will continue to improve as we're able to, but it needs to be affordable.

Mr. Cheveldayoff: — Thank you, Madam Deputy. Mr. Chair, another question to the auditor's office then: would you rather see a more accurate report that takes longer to prepare or . . . you know, we seem to see that we need some balance here I guess between the two. I seek your advice.

Mr. Ahmad: — They must have some minimum information to prepare those financial statements or to make estimates. And I think they continue to do better, but there is still some processes they have to put in place. And I don't know what they've done during this year. When we do the audit, we'll find out.

Mr. Cheveldayoff: — Okay, I think I'm hearing from the deputy that they have made some strides. Just one more question and then I'll let colleagues continue. It says the

Northern Revenue Sharing Trust Account had revenues of 15.7 million and expenses of 16.4 million and held assets of 28.3 million. That's information indicated on page 99.

Looking at the budget documents and it says that the northern revenue sharing received an allotment of \$7.8 million from the provincial treasury. Can you outline . . . the numbers to me look like it's \$7.8 million for administration of 15 to \$16 million. Is that indeed correct, or can you outline what the \$7.8 million is expended on?

Ms. Stonehouse: — I think that's the municipal revenue sharing. So it's the grants to the communities for their operation. It's not administrative costs for the department.

There are various sources of revenue to the fund, and then the fund is used on the one hand to provide grants to the settlements and municipalities and on another hand to provide infrastructure funding for the communities. The fund rolls. It continues year-to-year. It doesn't end and start up with each fiscal year, and so the board manages the projects on a timetable that's suitable to the projects, not on a fiscal-year timetable. I'm sorry; did I answer your question?

Mr. Cheveldayoff: — Yes, I believe so. I just need to do a little more research myself into that, but I think that explains it. Thank you, Mr. Chair.

The Chair: — Madam Deputy Minister, can you tell me why it is difficult to get the precise information the auditor suggests? You go into the quarterly reports here saying that the time lag, you feel, would be detrimental to the process. Why would that be?

Ms. Stonehouse: — Let me just clarify that where we've been able to get information we've gone after it. So for instance, from the Environment department we've gone after the information on leases and are getting that more regularly now. Where SaskWater can actually give us actual numbers, we use actual numbers.

So the problem we're having is where SaskWater has to work with a subcontractor who was in the field, often a small subcontractor whose focus is on getting the job done, and they'll issue their invoice when it's all over. And so the process of getting a detailed sense of . . . so where exactly are you in terms of expending the amount of money that we've contracted you for, for the work you're doing; where exactly in that continuum are you . . . so that we can write in our quarterly report. That's the problem we're having.

And we're at the stage of saying it's not worth the effort because we have good controls around this and we can, on the informal process, get a sense of whether the project is on track or not from SaskWater working with the subcontractor.

So I just want to make sure that you understand that it's a narrow part of this. It's the getting the information from the subcontractor in the field. And we're getting from SaskWater their own assessment of the project. And we have confidence in that. The issue that raised this in the beginning was a major project that didn't get finished in the fiscal year of the fund and so showed as major underexpenditure in the fund at year-end.

But that project was completed the next year.

So again I just remind you that the board is managing the projects and not necessarily managing the fiscal year. And we would judge that to be appropriate given that those projects need to be monitored and controlled and the fund goes over the year.

The Chair: — Okay, thank you. I guess that I would ask that of Mr. Ahmad because obviously many government departments do contracts like this and are working with subcontractors. Do you notice more difficulty in the Department of Government Relations with regards to the northern trust than you do in other departments? And if so, do you think it's justifiable?

Mr. Ahmad: — Mr. Chairman, the end result is how many and what magnitude of adjustments are required to be made to the year-end financial statement. And in the past, we have made a considerable number of adjustments or the department has made a considerable number of the adjustments to financial statement, year-end financial statement, to make it correct.

So the information they have on the context, it was obviously not precise or not even adequate to make the quarterly financial statement. Now if they have made some progress in that area and they're getting some precise information from the contractor to make some estimates, that remains to be seen, and we'll see how their financial statement goes this year.

The Chair: — Okay. Thank you very much. And then just a final question that I have: the deputy minister gave what seemed to me like a fairly detailed and reasonable explanation that there is no possible way that northern residents could be overcharged for their fuel. Given your concerns in your report, do you feel that this is well handled now, or do you still have some concerns about this?

Mr. Ahmad: — Mr. Chairman, we haven't seen what processes they have put in place, and we'll examine during our audit.

The Chair: — So, deputy minister, have you put in new processes since the auditor gave us this report?

Ms. Carlson: — Yes. Yes, we have. We have improved, as the deputy said, our review of the financial information that the contractor provides to the Department of Finance, and we've included that in our process such that we are actively cross-checking volumes and prices.

The Chair: — Can you tell the committee whether prior to this improvement there were cases where northern residents were overcharged for purchases of fuel?

Ms. Carlson: — We are not aware of any circumstances like that.

The Chair: — And the Provincial Auditor also is not aware of any such circumstances?

Mr. Ahmad: — No, Mr. Chairman, we were not aware of any such circumstances.

The Chair: — Okay. Thank you very much. Are there any

other questions? Mr. Borgerson.

Mr. Borgerson: — Yes. Can you tell me what the northern community is — which community — can you tell me that?

Ms. Carlson: — Uranium City.

Mr. Borgerson: — What's the population?

Ms. Carlson: — One hundred people more or less.

Mr. Borgerson: — Okay. That's good. Thank you.

The Chair: — Mr. Chisholm.

Mr. Chisholm: — I just have a question on the gas thing too. My understanding is that the government purchases the fuel and then resells it. The vendor just gets a markup — is that correct? — or the vendor actually purchases the fuel from the government. What is the . . .

Mr. Bunz: — We have the fuel supply; as government, we own it. When the vendor uses it, he gives us reports, and we bill him based on our cost plus transportation plus an administration fee, and then he in turn sells it to the public. And he adds his markup to that then.

Mr. Chisholm: — Second question. And so is the full cost of the fuel being recovered plus the markup, or are we subsidizing somehow the cost of that fuel to get it there, store it?

Ms. Stonehouse: — We're not subsidizing. The full cost is recovered, and the vendor gets a markup.

Mr. Chisholm: — Okay. Thank you, that's all I had.

The Chair: — Any other questions? Mr. Cheveldayoff.

Mr. Cheveldayoff: — Just a question on the fuel supply contracts: are they competitive bids that are opened up to several different retailers, or can you just explain that process? Is it something where you have to search out somebody that will take this on?

Mr. Bunz: — No, we do a tender process, and it follows a government tendering process that we use, and it's done on an annual basis.

Mr. Cheveldayoff: — Annual basis.

Mr. Bunz: — Yes.

Mr. Cheveldayoff: — Thank you. Madam Deputy, just an overall question for you: are you aware of any fraud, suspected fraud, or alleged fraud within the department with any of your managers, employees, contractors, or partners that you are engaged with at the present time?

Ms. Stonehouse: — No, I'm not aware of any fraud.

Mr. Cheveldayoff: — Thank you.

The Chair: — All right. Are there any other questions? Are we

ready to move to the sole recommendation in chapter 8? Looks like we're ready to move forward. That recommendation is in your book on page 101. It reads as follows:

We recommend that the Department of Government Relations monitor fuel product prices in the northern community to ensure they are consistent with the prices set out in the fuel supply contract.

Is there a motion? Ms. Crofford.

Ms. Crofford: — I move that we concur and note progress.

The Chair: — Okay, a motion to concur and note progress. Is there any discussion around this motion? Seeing none, we'll call the question. All in favour? It's carried unanimously.

Thank you very much. Thank you, Ms. Stonehouse, and your officials for appearing before the Public Accounts Committee. We will take a brief recess and reconvene at 11 o'clock. We're recessed. Thank you.

[The committee recessed for a period of time.]

Public Hearing: Learning

The Chair: — Ladies and gentlemen, we will resume our Public Accounts Committee meeting. We are on item 3 of our agenda which is Learning, chapter 3 of the 2006 report volume 1.

This is a little bit complicated because when the report was done there was one Department of Learning that encompassed both aspects of the auditor's report. That has since changed, and we now have two departments that are responsible for these areas.

So what we have agreed to do is have the Provincial Auditor provide a report. Mr. Montgomery will do that for the entire chapter 3. Then we will have a response from Ms. Young, the deputy minister for Advanced . . . No, I've got the wrong one.

We've got Department of Learning first, Ms. Wynne Young, the deputy minister of Learning. And then we will move on to the SIAST [Saskatchewan Institute of Applied Science and Technology] human resources capacity, and we will ask Ms. Durnford to come forward and respond. And then we will allow questions for both.

We will deal with the seven recommendations at the end of the hour. I hope that's as clear as mud.

I would like to welcome you, Ms. Young, and your colleagues. And, Mr. Montgomery, from the Provincial Auditor's office, if you would give your summary of the entire chapter and then we will ask Ms. Young to respond regarding the Teachers' Superannuation Commission. Mr. Montgomery.

Mr. Montgomery: — Thank you, Mr. Chair. Good morning, Mr. Chair, and committee members. I plan to guide you through the recommendations for the Department of Learning that are included in chapter 6 of our 2006 volume 1 report. In this chapter, we report the results of audits at the Teachers'

Superannuation Commission and SIAST.

For the Teachers' Superannuation Commission, we make three new recommendations relating to IT [information technology] security policies and procedures. The commission needs an IT plan to ensure it has addressed all the threats and risks to its security. It also needs security policies and procedures to help ensure the confidentiality, privacy, integrity, and availability of information systems and data. In addition the commission needs a written and tested disaster recovery plan. This is important because the commission's operations depend on the reliability of its information systems.

The remainder of the chapter reports on an audit we carried out at SIAST. By 2010 large numbers of employees will retire from the workforce each year, and the workforce will continue to shrink for the next two decades until 2030. Workforce shortages will become more common.

SIAST is an important part of the solution in that SIAST helps prepare people for work in areas such as the trades, health sciences, and technology. If SIAST does not have sufficient human capacity to meet its objectives, there could be significant problems for the Saskatchewan economy.

When we use the phrase human capacity, we mean sufficient people with key competencies or specific skills to achieve SIAST's objectives. Our audit objective was to assess the adequacy at January 31, 2006, of SIAST's human resource processes to build its human capacity for current and future periods. We concluded that January 31, 2006, SIAST had adequate human resource processes to build human capacity except for its processes to analyze and communicate workforce gaps and barriers, and evaluate progress towards current and future human capacity needs.

We found SIAST is making good progress on a number of matters. Also we're more concerned for the future rather than the present given the changing demographics. However the future is almost upon us, and it's important that several actions are taken now to be ready for the future.

We make four recommendations. These recommendations are expected to result in more comprehensive reporting to the SIAST board to ensure the significant risk areas are being addressed and to improve the communication and sharing of information with staff involved in the recruiting process.

We recommend SIAST analyze competency gaps for its entire workforce and provide periodic updates to the board — key competencies of the knowledge, skills, and behaviours essential to perform jobs that keep an agency operational. In the past, employers depended on professional credentials or education to select employees. Now employers try to use specific competencies to select employees. SIAST has begun to move to a more competency-based approach, but it's not yet ready to provide the board with a comprehensive report on its competency gaps.

And we also recommend SIAST identify barriers to its current and future human capacity and provide the board with a plan to address the significant barriers. Barriers to SIAST's current and future capacity might include such things as the supply of

skilled teachers, the level of retirements, competition for skilled workers, working conditions, or collective agreement issues. And we also recommend SIAST regularly informs staff involved in the recruiting process about trends in workforce gaps and barriers to human capacity.

SIAST has good human resource information and procedures to ensure the accuracy of this human resource information. However the information is hard to access and analyze. SIAST needs a centralized analysis of its human resource information and improved communication with staff involved in the recruiting process.

We also recommend SIAST's board work with management to identify the content and frequency of reports necessary to monitor human resource risks and evaluate progress towards its human capacity objectives. Currently the board gets several reports on human resource issues. Much of the information's very good. However these reports would be better if they had more focus on SIAST's human resource risks and evaluating progress towards its human capacity objectives. With these improvements, the board could more actively monitor whether or not it is meeting its objectives and whether or not its strategies are working.

Finally I'd like to say we got excellent co-operation from all of the people we've dealt with at SIAST. They encouraged us to look at the human resource processes for all of SIAST's employee groups, and there was considerable interest from the board and senior management in our recommendations to improve SIAST's human resource processes. That ends my presentation, Mr. Chair.

The Chair: — Thank you, Mr. Montgomery. Ms. Young, if you'd like to introduce your colleagues and to briefly respond, we give you the floor.

Ms. Young: — Thank you very much, Mr. Chair. To the right of me is Ms. Karen Allen who is the executive director of corporate services for both Learning and Advanced Education and Employment. To my left is David Barnard who's the executive director of the Teachers' Superannuation Commission. And also I want to introduce to the rear of me Mana Chinichian, who is the public admin intern from U of R [University of Regina] who is with me for eight months; and also Mr. Dave Tulloch who is our brand new director of finance in the Department of Learning.

I will keep my comments to generally the three recommendations that came from the auditor's office. We are very pleased to get the chance to respond and certainly appreciate the recommendations. And they are in agreement and recognize the importance of clear accountability and also strong plans and policies for the Teachers' Superannuation Commission.

The first recommendation was around having good plans in place, strategic plans, defining responsibilities more clearly, and also in the areas of governance and codes of conduct.

We, the Teachers' Superannuation Commission, did complete a governance manual in '05-06, and the manual was approved at its June commission meeting, June 7. The manual is a piece that

speaks directly and indirectly to the issues raised by their Provincial Auditor's office. It does speak around strategic plans and risk assessment. And the draft strategic plan for the commission is going to be in front of the commission in mid-October this year. The risk assessment work is a work-in-progress, and then it will be developed during the remainder of this fiscal year.

The new governance manual also defines responsibilities and operating information needs and code of conduct, specifically code of conflict for the commission. This new governance manual is posted on the commission's website.

The next couple of recommendations were around IT, both in having an IT plan and policies and procedures in place. A plan was completed in late March of this year and was approved at the June 7 meeting, also, of the commission this year. The document puts forward policies, standards, and guidelines pertaining to security, user ID [identification], risk assessment, hardware, software, communication. So the plan has been completed, and it is now in place and implemented.

The third recommendation was around a disaster recovery plan for IT in the Teachers' Superannuation Commission. The commission has committed to satisfying this recommendation in this year. A draft document has been provided to the Provincial Auditor and importantly the testing of the disaster assistance plan will take place by November of this year and with a new server and off-site redeployment that's part of the new test systems. So in this way we think we are well on our way to also satisfying that recommendation of the auditors.

With that I will stop. Those were the three recommendations.

The Chair: — Thank you, Ms. Young. I would remind my colleagues that we do want to leave time in our hour for the SIAST issue also to be dealt with, but we have several minutes now to deal with the superannuation part of the report. Who wishes to ask questions? Mr. Chisholm.

Mr. Chisholm: — Yes thank you. Mr. Chairman, I would like to take the opportunity just to ask some general questions about the teachers' superannuation fund, and I guess my first question is on page 42. It indicates that — just as facts — that there was \$14.9 million contributions from teachers and \$87.4 million from the Minister of Finance. My question is, is that kind of the normal ratio? I'd just like to get an idea of what the contributions are and what the plan is for the future, just to get an idea as we look at this plan in the future.

Mr. Barnard: — David Barnard is my name. Thank you for your question. The government matches contributions that are coming in on active teachers. There are also matching . . . sometimes when there's repurchases of service, if there's somebody been away for maternity leave, university, there's years that can be bought back, and then quite often you'll see an increase of those matching contributions coming in.

So the amount is going down. First of all that's the relationship simply because the number of active teachers in the plan is going down and will be probably near zero by 2022, somewhere in that time frame. So that's just how the relationship of . . . some of the additional, if there's what I call a ratio of a . . . It's

normally 50/50 as they say. When there's a higher amount on the government's side it's because there's additional contributions that are against matching, purchases, or refunds, that type of thing.

Mr. Chisholm: — Thank you. So according to the auditor's report at the present time, there's an unfunded pension liability of approximately \$3 billion. Does that also by 2020 work itself through the system? Is that what . . . am I understanding that correctly? Or does the unfunded liability continue to rise or stay the same? How does that . . .

Mr. Barnard: — So the unfunded liability is an actuarial calculation, and so there's a lot of assumptions. And all those things are available on the website. If you ever wanted to look for the actuarial report, that's also on the website. But right now, we're sitting at around 3.2 billion unfunded based on . . . That's a net figure, so we have about four and a half billion total pension benefit liabilities which says, from now till about 2065, what do we expect to owe the teachers, okay? What's that liability discounted back? Offset to that, we have about, just under 1.8 billion Canadian assets. So the difference, somewhere around 3.2 billion rounded.

So that can change and has changed over the last few valuations only because of the assumptions that . . . you know, inflation assumptions have a big impact on that, discount rates, and whatnot. But in terms of that unfunded liability, that eventually will have to be paid. That represents amounts that will have to be paid through the pay-as-you-go.

Mr. Chisholm: — Okay. Thank you. I guess a question for the auditor: how is that \$3 billion unfunded liability recorded in the government's financial statements, and where would I find that?

Mr. Wendel: — That's recorded in the summary financial statements.

Mr. Chisholm: — Okay. Thank you. Only in the summary financial statements.

Mr. Wendel: — That's correct.

Mr. Chisholm: — Right. Okay. I guess just a quick question. The \$1.8 billion that the fund has, what kind of a return has it been able to receive on that in the last year or two years or how you . . .

Mr. Barnard: — This year it was 10.6. We just had gone through a calculation on that one. And it's a smoothed rate so we smooth on a four-year . . . the unrealized and the realized gains on that. So why? Because that's just the nature of the fund. But we have basically top-shelf returns to make that more clear because of the performance evaluations and measurement that we do on the investments that the commission has, gets quarterly reports on. That's how we monitor it. And so we have very good performance on the assets.

Mr. Chisholm: — Okay. Thank you.

The Chair: — Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Thank you to the

officials for joining us this morning.

I guess I just wanted to probe a little bit more on to the \$3 billion of unfunded liability and where you see that going in the future. Is there some immediate plans to address that? I hear concern over and over again about this number and the impact that it has on the province and the impact that it has on people externally that are looking at the province's books. Can you comment a bit on what other jurisdictions are doing, how Saskatchewan compares. And what the short-term and the long-term plan is to address this liability?

Ms. Young: — I can only speak in some general terms. There are many pension funds across government, this being one of them. The government has made a commitment that it will ensure that it fulfills its obligation around teachers' benefits, teachers' retirement pensions and that obligation is there. It has come historically from the General Revenue Fund. That is where it would go until the time that we have expended our obligation; which David has said is somewhere in the 2060 decade, that we believe it's there. So that while it is unfunded, there is a commitment to the teachers for their benefits and pensions that are due to them through this fund.

I can't speak about . . . And I apologize; I don't know the situation in other provinces. We might be able to refer that to folks who do all the pensions to see if we can get a read on that if you're interested.

Mr. Cheveldayoff: — Thank you, Mr. Chair. I guess I'm interested in looking at alternatives. It concerns me that the unfunded portion has continued for quite some time and has actually increased over the time that I've been looking at it. And I'm just wondering if there's suggestions or ideas that could come forward to address this. And that's just . . . I'm looking to your expertise to outline anything that can be done differently so we don't show a \$3 billion unfunded liability on our books.

Ms. Young: — I would not be able to. I don't believe I personally have that expertise. I think that I would turn to the Department of Finance and others around the long-term policy on this. And again if you are interested, we'll see what we can do around getting some information to you on that.

Mr. Cheveldayoff: — Thank you for your undertaking. I've had some discussions with the Minister of Finance on this, and I will continue to do so. But maybe I could just turn to the auditor and ask for his thoughts on the magnitude of the unfunded liability and its affect on the overall finances of the province.

Mr. Wendel: — It's certainly something that we are concerned about and we report on it. It's included in the summary financial statements. A few years ago, the Department of Finance appeared before the committee and set out a projection of how they're planning to handle this over the long term, you know, based upon how much they're going to have to take out of GDP [gross domestic product] to handle this. And we're expecting to have a chapter on that again, probably either in this fall report that's coming up, or next spring, to see how the department's been tracking on that long-term plan that it had.

It was about four or five years ago I think the deputy minister

was in here. And so we just did an update to see where that's at, and maybe that'd be a good time to revisit that again and so members would get some feel for it again.

Mr. Cheveldayoff: — That would be helpful. Thank you for that information. And in light of the current financial situation of the province and the unexpected resource revenues that we're seeing the benefit of now, it would be interesting to address that and see if we could, you know, shorten up that timeline. Thank you, Mr. Chair.

The Chair: — Thank you, Mr. Cheveldayoff. Ms. Young, perhaps I missed it in your report but on page 44 the auditor says that:

Management told us that it plans to improve its governance by June 2006.

And of course that is just passed. Can you assure the committee that in fact the improvement of governance process is complete and that you feel that it's satisfactory, or is it incomplete and you're still endeavouring to resolve some issues there?

Ms. Young: — I will certainly ask David to speak to any specific issues. What I can say is a lot of hard work went into the governance manual, and it was passed by the commission in June of this year and now is in place. Are all of the pieces unfolded as they are changing? They are working on it. So it's a work in progress that way. But the new policy manual and all of the policies and pieces that are in it are in place within the commission now. Was there anything you'd like to add?

Mr. Barnard: — Well the only thing I might add to your question is the governance manual is the cornerstone. That's where we focus only because in there — if you were to go to the website and take a look at it and I'd encourage you to do so — there's a checklist in one of the appendices, and so it's not that we have . . . We're working on the strategic plan as Wynne had mentioned. We're working on risk assessment and formalized document.

So what we need to be doing from a governance perspective is to check those things off and make sure that we're completing it and rolling forward from that. So it guides our governance. So are we there on everything? No. But this now allows us to move beyond I think where even the expectations of the Provincial Auditor has us.

The Chair: — All right. Thank you very much. Is there any other questions?

Actually I think the Chair is going to use his prerogative to change my plan here because I'm reviewing this, and I see actually no connection whatsoever between the superannuation issue and the SIAST issue. So with the permission of the committee so that our witnesses could leave and do other things, we will proceed to deal with the three recommendations, and then we will deal with the remainder of the chapter. Are we ready for the recommendations? Okay, we'll move to page 44 recommendation no. 1:

We recommend the Teachers' Superannuation Commission approve an information technology plan.

Is there a motion? Mr. Borgerson.

Mr. Borgerson: — Yes. I'll move that we concur and note compliance on recommendation no. 1.

The Chair: — A motion to concur and note compliance. Is there any discussion around the motion? Seeing none, call the question. All in favour? It's carried.

Recommendation no. 2:

We recommend the Teachers' Superannuation Commission approve information technology policies and procedures.

Is there . . . again, Mr. Borgerson.

Mr. Borgerson: — I move that we concur and note compliance on that recommendation as well.

The Chair: — Again a motion to concur and note compliance. Is there any discussion regarding the motion? Seeing none, we call the question. All in favour? Again that's carried.

The third recommendation on page 45 reads:

We recommend the Teachers' Superannuation Commission prepare a written disaster recovery plan for its critical information technology systems and regularly test that plan to ensure it works.

Again, Mr. Borgerson.

Mr. Borgerson: — I'll move that we concur and note progress on recommendation no. 3.

The Chair: — This time a motion to concur and note progress. Any discussion of this motion? Seeing none, we'll call the question. All in favour? Again that is carried unanimously.

Ms. Young, we thank you and your colleagues for appearing before us and providing us with this update, and we wish you well as you continue with your responsibilities.

Public Hearing: Advanced Education and Employment

The Chair: — And now we will ask Ms. Durnford and her colleagues to take the witness chairs. And as soon as they are settled in, we will have introductions and a brief response from the deputy minister, Ms. Durnford. And then we will again resume our questioning on the second portion of this chapter.

Ms. Durnford, when you're ready, I don't want to rush you too much but when you're ready the floor is yours.

Ms. Durnford: — Thank you very much and I'll just take a moment to introduce my colleagues. To my right is Rob Cunningham who is the assistant deputy minister responsible for labour market services. And to my left is Gary Mearns from SIAST, and Gary is the associate vice-president responsible for human resources. And to his immediate left is Kathryn Beaton who is the vice-president for administration at SIAST.

Behind me I have Raman Visvanathan who is the executive director of our institutions branch. And I'm also very pleased to be joined this morning by Ms. Reiko Nakatsuchi who is our master's of Public Administration intern in my office. And like the previous deputy, Reiko will be working with me for the next eight months as part of her educational experience.

So perhaps if I can, then I'll just move on to make a few introductory comments with regard to the SIAST report that was conducted by the Provincial Auditor, and then either myself or my colleagues would be more than pleased to answer your questions.

I think the department and SIAST agrees with the recommendations contained in the auditor's report. And what I'll do is just speak to the four recommendations quickly and then we can get into more detailed discussion.

With regard to the first recommendation around analyzing "... competency gaps for its entire workforce and providing periodic updates to the board," SIAST has already embarked on a review of the qualifications, skills and abilities that have been historically used by SIAST and have started a project to identify core competencies and the necessary management expertise that would be necessary for SIAST employees ... for them to be successful in the future. So this work as I understand it has started, particularly with out-of-scope managers, but is moving to consideration over time to in-scope folks.

So work is gathered right now. Work is currently under way to gather detailed information from their human resource information system and related to expected turnover, whether that's from retirements or terminations, and to look at it by employee, by program area in the next five years. The intent there is to provide a better level of relevant information to the board and to management in terms of their planning on this front. So I think it speaks to the kinds of issues that the auditor is raising.

With regard to recommendation no. 2 that SIAST "... identify barriers to its current and future human capacity and provide the board with a plan to address the significant barriers," to assist SIAST in the identification barriers that might affect its ability to respond to capacity issues, SIAST has engaged the assistance of an external consulting firm, Meyers Norris Penny, to undertake a study to assess the human resource functions compared to a best practice model. And that work involves examination of numbers of different functions. The report from Meyers Norris Penny and the recommendations from them were shared with the SIAST board at the most recent meeting at the end of September, and I think there is a plan to have a continued engagement with Meyers Norris Penny, between them and SIAST.

Recommendation no. 3 that SIAST "... regularly inform staff involved in the recruiting process about trends in workforce gaps across SIAST and effective strategies to overcome barriers to human capacity," in that regard increased attention has been paid by the organization and by management in the organization to orientation, training and development of program heads in recognition of their key roles in staffing processes. So training for all human resource staff in behaviour description interviewing techniques has already occurred, and this training

has been offered to supervisory and other management staff involved in these processes — so the intent being to try and equip sort of the key people that are doing a lot of the recruiting in the organization with some better skills on that front.

Recommendation 4, to identify the content and frequency of reports necessary to the board to evaluate human resource risks and evaluate progress towards human capacity objectives, the human resource division will be revising its reporting format to both management and the board to ensure that there's more regular reporting, and quantitative and qualitative information are provided to the board and to management on a regular basis to assist with planning.

I think it's fair to say that any number of organizations in the province are faced right now with the same kinds of issues that SIAST are being faced with. And the ability to make good, robust plans is going to be critical for both SIAST and for other organizations as we move forward, given our demographics.

So I'll conclude my remarks there. And I'd be pleased to answer questions from the committee or have my colleagues assist in answering your questions.

The Chair: — Thank you, Ms. Durnford. And just for the benefit of my colleagues, I'm sure that they followed that along, but your recommendations 1, 2, 3, and 4 are our recommendations 4, 5, 6, and 7. Just so that is clear in everyone's mind.

Ms. Durnford: — Okay. My apologies.

The Chair: — No, that's probably ... in your book it was probably 1, 2, 3, 4 but in our book it's 4, 5, 6, 7. We will open the floor to questions. Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair, and welcome to Ms. Durnford and her officials. It's a pleasure to see them again. As post-secondary education critic for a period of time I very much enjoyed my interaction with the people from SIAST.

After reading the report from the auditor, I guess it's fair to say I was somewhat surprised at some of the things that I've read here. There's a few paragraphs that strike me as odd or, if not odd, concerning. So what I intend to do in the time that we have here is to talk about some of those paragraphs and then break them down into questions.

The first one is on page 50, and it's three-quarters of the way down the page. And I'll just go through it.

SIAST depends on its staff to be aware of the external supply of workers or potential shortages in the local community. It does not track shortages or difficult-to-recruit positions over time to help identify long-term trends. SIAST does not have a system to assess the future external supply of key occupations essential to its own operations. Identifying key positions that are important to its daily operations could assist SIAST to monitor future shortages.

There's a number of things in there, I guess, that are somewhat surprising to me, and I am sure are of concern to the officials as

well. So if we could just start with SIAST "... does not track shortages or difficult-to-recruit positions over time to help identify long-term trends." Could you address that please?

Ms. Durnford: — Perhaps what I'll do is have Gary Mearns speak to that question.

Mr. Mearns: — Sure. On the issue of external supply of workers, one of the challenges that we found as we've been dealing with in some cases difficult-to-recruit positions is trying to obtain some good information on external supply. And one of the challenges that SIAST faces is the fact that we're recruiting, particularly for instructors, across a number of different industry sectors because of the range of the program offerings that we have. So it's been quite challenging as we've been trying to obtain data from the various sectors, whether we're recruiting instructors for something in the health sciences area versus nursing versus the trades, and trying to obtain good, current, up-to-date information.

We have attempted to obtain some of this information from Stats Canada which is in most cases at least a couple of years out of date because ... based on the reporting processes that I believe they have. We have also contacted *Sask Trends Monitor* to see whether they can provide us with some more up-to-date information. We've tried the Conference Board. We've tried a number of different sources to try to obtain what we would believe would be very relevant, current, up-to-date data, and we've been running into a fair number of obstacles around obtaining that kind of data.

So as far as the availability or the external supply outside of the organization, we've found this to be particularly challenging. And so we've been rather unsuccessful in trying to obtain that, and it's something that we've identified as an area that we're going to have to continue to focus on. But that has not been an easy source of information for us to obtain.

Mr. Cheveldayoff: — Thank you, Mr. Chair. I guess that is a concern. Many people across government, across this province look to SIAST to have that information and see you as the leader in not only having that information but acting upon it. Have you talked to colleagues across the country and, you know, looked at a best practices model to see if there's anything that you can learn from other groups across the country to help you find that information?

Ms. Durnford: — Perhaps I could also make a comment. I think Gary's comments raise some pretty fundamental issues to understanding the nature of the labour market and being able to predict what the nature of the labour market is and where needs are going to be found. And that is because of the complexity and the diversity of the occupations. And just the occupations and the range of programs that SIAST offers, it is I think more of an art than perhaps it is a science in being able to sort of predict where the labour market is going to go and where needs are going to be.

I mean the kinds of issues that Gary has just described are also issues that we find just generally. And the ability to sort of shape program array, whether it's at ... I think the universities would argue that that's a piece of the puzzle that they try to sort out, but it's also a real distinct piece of the puzzle that SIAST

has to sort out.

I think the things that, just in terms of being able to sort of identify labour market issues, the department is looking at how we can get better information from the federal government on this front that's more relevant at a local area that people can use to start to plan more proactively around their future requirements. And it's going to be an important piece as we work forward in trying to understand the nature of the labour market here in Saskatchewan.

Mr. Cheveldayoff: — Thank you, Madam Deputy. It's just, you know, it raises a red flag I guess when I see this in the report that SIAST does not track shortages or difficult-to-recruit positions. And yes, I see by your answers that indeed you are working towards it and it's not an exact science. But nevertheless, you know, it is my responsibility to address these concerns that are put forward.

It says, no "... system to assess the future external supply of key occupations essential to its own operations." Can you comment on that statement?

Mr. Mearns: — Well I think this is related to the, again, the actual supply of workers in our systems who supply ... or to assess the future external supply of our own operations.

Again we are initially focusing on the issues that the Provincial Auditor raised around ensuring that we have very good knowledge of our turnover and our expected needs in our various areas. And right now we're focusing on that. That includes a look at our computer systems and the capability that exists within our internal system to generate the kind of data and information we need to ensure that we know exactly our numbers as to our needs.

With respect again to the future external supply, we are going to be reliant on the availability of data that we can gather from, in many cases, government sources federally and others to know what that supply is going to be. But again there doesn't appear to be good information that's out there that we can utilize at this time.

Mr. Cheveldayoff: — Thank you, Mr. Chair. Some further questions along that line. It's indicated by the auditor that SIAST has a human resource strategic plan 2003 to 2008, but it does not describe the current or anticipated gaps or barriers to SIAST's human capacity. Can you comment on the human resources strategic plan, what information that you hope to derive from that or use as a guide to follow, and can you address the auditor's comment about the lack of information in it?

Mr. Mearns: — Our human resource strategic plan identifies the challenges and the needs of the organization across a number of HR [human resources] functions and processes. And the area of the plan as it relates to turnover and some of the strategies that are going to be needed to address the recruitment challenges has not drilled into the depth of information, and I think that's what we were advised by the Provincial Auditor. Even though we have obtained some cumulative data on the number of people that we expect to be needing over the next number of years based on turnover due to retirements, we have

not drilled that information down into our organization across all program areas. So we have not, to this point in time, gathered the real detailed data by program area, and that's the area that we recognize that we've got a gap in, and I think that is what the Provincial Auditor had advised us of. So that's still an area that we've identified we've got to do some additional work in.

Mr. Cheveldayoff: — Thank you. Mr. Chair, "Identifying key positions that are important to its daily operations could assist SIAST to monitor future shortages." Why is this not being done?

Mr. Mearns: — Again we have not had a system of processes within SIAST to meet on a — if you want to call it — a regular or frequent basis with the various management leaders in our various program areas in order to ensure that the work that we're doing on the human resources side of the organization is in all cases consistent with the needs on our program areas. So those are one of the things that we've identified as a gap, that we need to put in place some processes to bridge that gap which will mean likely, at least on a tentative basis, the plans that we've got in place is to have quarterly or semi-annual meetings with the key individuals in our various program areas which would be our deans and our program heads so that we're ensuring that on a frequent basis human resources is aware of the pressing needs that they have in their respective areas so that we can start to anticipate some of the needs as they're coming, rather than just reacting to them. Because to this point in time, there's been a tendency we just reacted to where the vacancies have occurred.

So one of the things we know that we've got to do is start being able to anticipate and be more proactive in our recruiting processes. So that's an area that we've got to work on.

Mr. Cheveldayoff: — So thought has been given to putting a tracking system in place, and it's something that you see as a priority and will be addressing. Am I correct?

Mr. Mearns: — Yes, that's correct. And in fact, we're looking at some data warehousing capability within our IT system in order to help us generate more current information out of our computer systems to do that.

Mr. Cheveldayoff: — Thank you. On page 51, the auditor states that Saskatchewan is currently facing a severe labour shortage. And we all are very, very aware of the situation we are in currently in the province.

SIAST acknowledges a competitive labour market caused delays in the recruiting process January 2006. What steps are being taken to ensure SIAST can recruit the necessary personnel that it needs in light of our labour situation?

Ms. Durnford: — If I can, I just would make one other comment relative to some of the previous questions. I think the other thing that SIAST has done to try and increase capacity on this planning front is to add another VP [vice-president] position, and that's Kathryn who has joined us today. So I think they've added a VP of administration to their overall senior management, and I think that was expressly for the purpose of trying to make that part of the organization more robust and

have more focus on sort of the planning and the administration side. So I would add that to the previous comments, and then I'll turn it over to Gary again on the specific question.

Mr. Mearns: — Specifically related to some of our recruitment strategies in light of, in some cases, shortages that we've been experiencing, we've broadened out our various recruitment strategies to include the use of external search firms in very selected areas where we're finding we cannot generate sufficient applicants for some of the areas where we've got some real difficulties in recruiting.

We've actually gone to attending trade fairs in the various functional areas that are focussed on, again, the hard or difficult to recruit areas. We've been implementing market stipends in places where we believe, from a salary standpoint, we need to be more competitive in our salaries that we're offering. And we're looking at various other alternatives including, in some cases, encouraging and continuing to employ individuals who had been planning to retire from the organization. And we're doing some things to continue to employ individuals that are either already retired or contemplating retirement and encouraging them to continue to work while we transition through some of the challenges that we've got in our workforce needs. So again we've been developing to the greatest extent possible a realm of or a range of recruitment strategies to help us in these difficult-to-recruit areas.

Mr. Cheveldayoff: — Thank you very much, Mr. Chair. And it goes without saying that in a labour market as we are in, advanced planning is the key, and it's very important to the overall process. I've asked a number of questions on shortages. I want to move on to the topic of coordination which also has a paragraph in it that leads me to have some concerns.

On page 52 it says "... information system is capable of reporting human resource data ... but it is difficult to access." A technician is required to program requests for unique reports. Central analysis of data is not shared with those who need to know the information. It has limited resources to create reports. This is valuable information that needs to be easy to access.

I guess a number of questions that come out of that. Can you just comment on the information system — why it's difficult to access and why you seem to have, you know, lack of information going to those people that need to know it.

Mr. Mearns: — Although our current IT system, which is a banner system that is very common in many post-secondary institutions, is very good at tracking and was developed primarily to track student data, the system has developed a number of components to it to assist in things like human resources and financial areas. And we are trying to work at increasing the capability of that system to provide us with more and better human resources data. But it's not something from a resource standpoint that the organization in the past has done a lot of concentrating in its efforts.

And again the Provincial Auditor's report I think highlighted the fact that this is an area that we've got to give some increased attention to. And so we are looking at some changes to increase the capacity of obtaining information out of our IT systems or if necessary, if we need to actually add to by

purchasing software that will give us some additional capabilities in getting data from the system. But again the system was not necessarily designed specifically for human resources needs in mind and has been more focused on student data.

Mr. Cheveldayoff: — Well it sounds like you've got a few wrinkles to iron out there, but I encourage you to do that. And you know it concerns me when I see limited resources to create reports and things like that. I'm familiar with some of the reports that have come out of SIAST and know that they are of high quality. And so I would hope that we see that across all areas of SIAST.

The auditor also states the importance of coordinating employee retention. Can you take a minute to explain the efforts as far as employee retention go?

Mr. Mearns: — Well we've got a number of things that we believe are important components to ensuring that our employees feel that they want to continue to remain employed with SIAST.

We have extensive professional development opportunities that we offer to all of our employees, and these we found to be an important retention tool for individuals. We have embarked on employee wellness as an approach to ensuring that our workplaces are really conducive to a good work/life balance for our employees, and it's a program that we initiated in early 2006.

We also are trying to ensure that our employees get as much support from the organization through things like employee family assistance programs and various other support mechanisms on an employee relations front to ensure they find our workplaces ones they want to continue to be employed in. So we have certainly looked at and have been focusing on retention in those areas as something that we believe is important because we certainly . . . we've had very low turnover of employees historically over the years. It's been in that area of between four and four and a half per cent. So it's an area that we think we've been fairly successful when it comes to retention of our staff.

Mr. Cheveldayoff: — Thank you. I want to turn to the topic of collective agreements that's addressed by the auditor. On page 54, the auditor states that:

SIAST's collective agreements influence its recruiting practices for in-scope positions. SIAST posts vacancies internally and considers employees with seniority first. As their seniority builds, employees become eligible for part-time or full-time positions for which they have the basic qualifications. If SIAST hires an external candidate, it is often on a casual basis, limiting its potential applicants to those who are interested in short-term work. Building seniority takes time — SIAST may miss opportunities to hire talented external candidates.

I guess that's another one of those concerning paragraphs that talks about the, you know, the process of hiring, and we're all familiar with the seniority policies. But the fact that we may be overlooking some very qualified candidates has me concerned.

Can you address that paragraph, please?

Ms. Durnford: — Well I'll start by making a couple of comments, and then I'll maybe ask Gary to comment then on. I mean the role of seniority and collective agreements in the attraction of people into the workforce is a question that I think that we need to spend some time thinking about. But the reality is that the seniority provisions prevail in collective agreements. And it's a challenge for managers in that context, but it's a piece of the puzzle that we just have to work within. So, you know, it's a challenge for us on many fronts, but I think it's the reality of the current collective agreement. So I'll ask Gary to comment on it further in the context of SIAST.

Mr. Mearns: — We certainly recognize that there are contractual requirements under our collective agreements that do impact on our ability to hire employees. And certainly the issues that I think were raised through the Provincial Auditor's report with respect to that, we are certainly involved in discussions with our unions with respect to our staffing processes. And we are in the process of bargaining right now for renewal of our collective agreements, and certainly this is a topic of discussion and interest to both parties to the collective agreements. So that we're going to continue to pursue discussions with our unions with respect to our staffing process and the impacts on our ability to hire, so it's a point of discussion.

Mr. Cheveldayoff: — The auditor states that "If SIAST hires an external candidate, it is often on a casual basis . . ." Is that the situation every time, or do you have regulations regarding that? Or do you indeed hire external people into full-time positions when necessary?

Mr. Mearns: — We do hire external individuals into positions, but certainly as is very common with collective agreements we certainly do have a requirement to ensure that internal applicants are given first consideration on positions. And only where we do not have individuals who are qualified within our existing ranks of employees do we go outside of the organization. So we certainly do go outside on a periodic basis but certainly not for all positions that are vacant.

Mr. Cheveldayoff: — Thank you. Mr. Chair, a couple of further questions. On page 50 the auditor states that "SIAST identified key competencies for out-of-scope leaders in its *Performance Management Reference Guide 2005*." Examples are leadership, results orientation, adaptability, taking initiative. And then it says, "The Guide's key competencies do not include future-oriented behaviours such as innovation, a SIAST value."

I guess I see a bit of a contradiction there and if you could just comment on the role that innovation plays within the management structure at SIAST.

Mr. Mearns: — Well again, when we're evaluating competencies and conducting performance appraisals of our employees, there's obviously a range of competencies that we believe are important for the organization. Now the auditor did raise that as an important competency for the future. And we are, as I believe Ms. Durnford alluded to, we are in the process of reviewing our competencies right now, and actually innovation is one of the ones that we are now identifying as one

that we should be including in our list of competencies for hiring future leadership positions. So it's something that we've already taken to heart and as part of this process we've added that to the list of competencies.

Mr. Cheveldayoff: — Thank you. Well, Mr. Chair, to sum up for my questioning — I understand some other members have questions as well — I guess to reiterate what I said at the beginning, I was somewhat concerned about this chapter and what I heard from the auditor regarding SIAST which I think is a leader in our province and is a leader within government. Government agencies look towards SIAST for leadership in all issues regarding HR and both, you know, demonstrating their competency in that and helping to develop the workforce within the province. So I would encourage you to take each and every one of the recommendations made by the auditor very seriously, and we would hope that when we come back to this next time around that we see some significant improvement.

Mr. Chair, a question to the deputy then just to sum up: Madam Deputy, are you aware of any fraud, suspected fraud, or alleged fraud within the department with any of your managers, employees, contractors or partners that you are presently engaged with?

Ms. Durnford: — I have no awareness of any circumstances of fraud in the department, but I do have one situation that is under examination. At this point it's too early in the process for me to be able to say whether I have a circumstance that would fall within the context of that question, but I would be able to report on it I think more fully the next time in front of the committee.

Mr. Cheveldayoff: — Thank you, Mr. Chair. So, Madam Minister, will you undertake to provide us with the information as soon as possible, even in written form, prior to the next committee sitting?

Ms. Durnford: — I can undertake to provide you with the information relative to the conclusion of our process and provide that to the committee. Thank you.

Mr. Cheveldayoff: — Thank you. That's all, Mr. Chair.

The Chair: — Thank you, Mr. Cheveldayoff. Mr. Borgerson.

Mr. Borgerson: — Yes, on page 51, middle paragraph. "The age data for the academic group showed that one campus and some programs are at greater risk." It did not identify the positions most affected. Can I ask which campus that is making reference to and an example of which programs?

Mr. Mearns: — I believe that the particular campus was Palliser Campus in Moose Jaw from what I recall from the report and what was commented upon. And now as far as the particular programs, I don't off the top of my head recall which specific program it was. I think it was in one of the trades, possibly one of the trades, one of the trades or technology areas I believe where our average age of the employees in that area was higher than a number of other areas.

Mr. Borgerson: — Okay. Can you, just for the sake of information, give an example of some of those difficult-to-recruit areas that, you know, some of the most

difficult ones? I'm going to assume that they are mostly in the area of the trades.

Mr. Mearns: — I think the particularly difficult ones that we've experienced over the last two years have not been in the trades. They've been in the health-related areas. Medical diagnostics has been particularly challenging to find instructors for. We are experiencing some — some — difficulties in nursing and as well in the engineering area. And so those are probably the three that have been particularly difficult to find a large number of suitable applicants.

Mr. Borgerson: — And would it be fair to say that generally SIAST ends up in the position of having to entice people to come from their profession or from their trade to take employment? I see that you have designed a compensation strategy to recruit instructors for the EMT [emergency medical technician] program for example.

Mr. Mearns: — Right. Yes, we do have to entice in some cases. We're attempting to hire instructors often from the private sector that have a particular expertise in the respected area in which they're employed. Yes, we do have some additional challenges.

The medical diagnostics area has been one over the past year where we've employed a number of different strategies in order to encourage instructors to come to work for us, and in fact we've even gone to the point where we are involved in national searches and in some cases international searches in order to find applicants. And we're finding, through our discussion with other post-secondary institutions across Canada, that they're experiencing the same difficulties in that particular area. There just seems to be a shortage of people.

Mr. Borgerson: — So I'm assuming there would be generic strategies that you would use across the board, but there would be tailor-made strategies for particular areas.

Mr. Mearns: — Yes, that's correct.

Mr. Borgerson: — That's good now. Thank you.

The Chair: — Mr. Iwanchuk.

Mr. Iwanchuk: — Yes, I have been going over the report, and I don't see anywhere that there are any comments about the quality of the staff there. So I would take it that there are no difficulties in terms of the quality of staff that you have at SIAST.

Mr. Mearns: — I believe we have very, very good quality staff, and I think we've been extremely pleased with the quality of the individuals that we've been able to recruit into the organization. Again our objective is always to find the best and the highest quality individuals to provide instruction to our students.

Mr. Iwanchuk: — Yes, and I also notice that you are being commended on your training, internal training and updating of employees' qualifications and that.

Mr. Mearns: — Yes.

Mr. Iwanchuk: — I guess that leads me . . . and I'm a little confused then because you mentioned also that you were in collective bargaining, because there's a mention here about seniority as being some . . . Now I take it that it's somehow an obstruction here, or somehow preventing quality applicants, internal quality applicants. And this is why I asked the first question. I didn't see any problems with quality of instructors. So I wonder if you could comment on that.

Mr. Mearns: — I think the specific issue probably relates more to our process issues as it pertains to the use of our casual lists to hire permanent employees into the organization. And so this is an area that we've flagged as an issue that we believe is important to raise and enter discussions with our union about. And so this is really the focus of our discussion. I think the quality of our staff is good, and I think we believe we're still able to hire good quality employees. But the processes in some cases in order to bring in new candidates, particularly as it relates to difficult-to-recruit areas, has been, you know, that's where there been a focal point of more challenges for us. And so that's the kind of dialogue that we're having with our union with respect to that issue.

Mr. Iwanchuk: — I guess I'm still confused because if you have quality people in positions and you're hiring for quality, I'm not sure how you are reading the auditor's statement here about "... SIAST may miss opportunities to hire talented external candidates." If you have people who can do the job and are qualified to do that work, if you have a position that nobody wants, that allows you — my understanding is — to hire external candidates, so I'm not certain because this has quite wide ramifications here because it seems to me to indicate that seniority somehow is obstructive here to you. And I haven't heard anything in terms of what you're seeing so maybe what I have to do is ask the auditor what the comments here mean because . . .

Mr. Montgomery: — Well I think one of the comments I made in the introduction was that we were more concerned towards the future than the present. And as we see it, the workforce shortage issue is only going to increase.

And if there's qualified and good candidates out there and they won't join SIAST because the work is at a casual level — you know they may want to go into a full-time position — and that might immediately disqualify that candidate from accepting a position with SIAST. So really what we are doing in our report is saying look at some of the, you know, given that these shortages are going to increase, look at some of the barriers to your recruiting and see if, you know, in discussions in your collective agreement or whatever you can start to sort of find solutions to those barriers.

Mr. Iwanchuk: — I guess I'm still confused. Maybe I could reword my question. So if you have a position, and what you are saying is that there's a qualified candidate within SIAST, you would what? You're telling me you'd rather . . . You are suggesting here to bring in somebody who is exceptional from the outside and prevent that person being hired. Is that what I heard you say?

Mr. Montgomery: — We're saying, you know, say there isn't a qualified person within SIAST and you're looking for a

candidate but you're only offering casual work.

Mr. Iwanchuk: — But just a second. If there are no qualified candidates, then seniority wouldn't come into play. Am I correct?

The Chair: — Ms. Knox.

Ms. Knox: — Mr. Chair, the question is around the delays that happen in the recruiting process. It takes quite a bit longer to go through the process as they have it set up at the moment. As Gary indicated, it's a process question. It's not that there is a problem with hiring qualified candidates internally. That's not the intent of the question in the report, but rather the delays that can happen. And that as you get a shorter and shorter supply of qualified workers, you may find that you need to move more quickly in order to identify and hire those few qualified candidates that are out there anywhere. So you need processes that allow you to work with your union to do perhaps even some leapfrogging, in consultation with the union, of their normal process to allow them to move quickly.

Mr. Iwanchuk: — Okay. I'm not sure where . . . because there's no mention of process. I mean they simply mention here — unless I'm reading this wrong, maybe you can help me out here which — because it talks about external candidates. And we've heard an answer that it's not always just casual work, though I have nothing here to say that it perhaps it is. But it does say quite clearly "... may miss opportunities to hire talented external candidates."

Now I don't understand how that's process. If it's simply process, are you talking about jobs that people are applying for, or are you simply talking about a position who no one has applied for and why would . . . Is that the process that you're talking about? I'm not clear because it doesn't mention anything about process here. It simply says that "... SIAST may miss opportunities to hire talented external candidates."

And if you talk about seniority in the same breath, you are almost saying that somehow you would rather — and I heard that mentioned earlier — that you might want to hire these people as opposed to hiring external candidates. I mean that's . . . I don't know what else . . . maybe you can help me with this.

The Chair: — Ms. Knox.

Ms. Knox: — Mr. Chair, the challenge in writing reports is always to be as short and succinct as you can and still say, you know, what is useful and meaningful. The intention is for SIAST to look at its processes and to make sure that it's going to be able to move as quickly as it can through all of the normal steps or to have shortcuts if it needs them so that it can hire people in a timely way.

It has had in the, if I recall, Gary, in the area of — oh I want to call them ambulance, but that's not the right one — in the EMT area, emergency medical technologist area, it has sometimes taken a very long time to find the people that they would be able to hire. And if they have more organized ways of looking ahead, they will be able to work better with their union to assess their internal potential and still move quickly with the external

side as well. It may take them six months sometimes to work through the internal processes, and then they start their external processes, and they have another while. Meanwhile you have a program that may or may not be at risk depending on what other adjustments you can make. So that's the kind of concern.

Mr. Iwanchuk: — Okay. I understand what is being said. I'm just not sure that that is what this is saying so I still might have some difficulties. But I do understand what they're saying.

The Chair: — All right. Thank you. Are there any other questions? We are a little bit behind schedule, and I'm prepared to move on to the recommendations if my colleagues are. Seeing no one asking for the floor, we will deal with the four recommendations which begin on page 51. They are recommendation, first of all, no. 4 which reads:

We recommend Saskatchewan Institute of Applied Science and Technology analyze competency gaps for its entire workforce and provide periodic updates to the board.

Is there a motion? Mr. Iwanchuk.

Mr. Iwanchuk: — Concurrence and report progress.

The Chair: — A motion to concur and note progress. Is there any discussion of the motion? Seeing none, we'll call the question. All in favour? That's carried.

Recommendation no. 5:

We recommend Saskatchewan Institute of Applied Science and Technology identify barriers to its current and future human capacity and provide the board with a plan to address the significant barriers.

Again is there a motion? Mr. Iwanchuk.

Mr. Iwanchuk: — Yes, concurrence and note progress.

The Chair: — Again a motion to concur and note progress. Is there any discussion of the motion? Seeing none, we'll call the question. All in favour? It's again carried unanimously.

Recommendation no. 6 on page 52 reads:

We recommend Saskatchewan Institute of Applied Science and Technology regularly inform staff involved in the recruiting process about trends in workforce gaps across SIAT and effective strategies to overcome barriers to human capacity.

Is there a motion? Mr. Iwanchuk.

Mr. Iwanchuk: — Yes, concurrence and report progress.

The Chair: — Again a motion to concur and note progress. Any discussion of the motion? Seeing nothing, we will call for the question. All in favour? And that is carried.

And the final recommendation is a few pages back on page 57. Recommendation no. 7 reads:

We recommend Saskatchewan Institute of Applied Science and Technology's board work with management to identify the content and frequency of reports necessary to monitor human resource risks and evaluate progress toward its human capacity objectives.

Is there a motion? Mr. Iwanchuk.

Mr. Iwanchuk: — Yes, concurrence and report progress.

The Chair: — Again a motion to concur and note progress. Any discussion of the motion? Seeing none, again we will call for the question. All in favour? Again it's carried unanimously.

Thank you, Ms. Durnford, for appearing before the Public Accounts Committee with your officials and helping us get through this chapter. We are happy to dismiss you with our thanks. We have a couple of items on our agenda yet that we have to deal with before we break for lunch. So thank you again for appearing before us.

Report on CCPAC Conference

The Chair: — Colleagues, four of us were able to attend the Canadian Council of Public Accounts Conference in Charlottetown back in September, September — what was it? — 11, 12, somewhere in there I believe. Mr. Iwanchuk, Mr. Borgerson, Mr. Cheveldayoff, and myself. For other members of the committee who weren't fortunate enough to attend, if you could just briefly outline what you felt were highlights of the conference.

I think I'll start with Mr. Borgerson who's now a veteran of these conferences to see what his observations were. Then perhaps I'll ask Mr. Cheveldayoff for some comments and then Mr. Iwanchuk. And if I think of anything that you've forgotten, I'll perhaps summarize my thoughts at the end. Mr. Borgerson.

Mr. Borgerson: — Yesterday I was a rookie, Mr. Chair, and today I'm a veteran.

The main session in terms of substance was a session from CCAF — help me with it — Canadian council of auditors and financiers, or accounting . . . Yes, they don't include it with any of their literature so you can never tell exactly what it stands for. But CCAF which had visited public accounts committees across the province, across the country, and all the provinces as well as the federal government and the territories, and had surveyed all of the public accounts committees to get an understanding of how they work and to compare them with each other. So I'll just mention a few of the issues and challenges that they found from talking to public accounts members such as ourselves.

First and foremost — and this has happened, this has occurred at every public accounts conference I've been at — a lot of talk about maintaining a non-partisan nature of public accounts. The public accounts is different from estimates. It's different from question period. It's different from what goes on in the Assembly in that we try as much as possible to maintain a non-partisan approach. The more we do that the better our work is.

And I did write down one quote here, and I think it was from someone in the Quebec delegation who said, “The public must feel we are there as parliamentarians and not as members of a political party. We have to keep the dialogue and questions at that level.” And so there was a lot of discussion around how you do that — one being the importance of the Chair, the role of the Chair in modelling a non-partisan approach and instructing and informing the members to, you know, work in as much of a non-partisan manner as possible.

There was some discussion about what happens if a minister is called before the Public Accounts Committee which moves us into policy and politics, and I think a feeling from Public Accounts members that that’s not where we want to go.

When critics from the opposition side come to public accounts committees, there’s always the possibility as well it’s going to move into the area of policy and politics. So there’s discussion around that. And I think we’ve been quite fortunate here with our committee. As you pointed out, Mr. Hermanson, at the conference, 95 per cent of the decisions that we’ve made, of our responses to recommendations, have been agreed to unanimously. And I think there’s been a very good atmosphere in this particular committee — probably better than most in the province — in terms of having a good, objective, non-partisan approach.

And they talked about the importance of our role as members to be as objective and impartial as possible, to have a good working relationship, which I believe we do.

When they surveyed public accounts committees across the province, 8 of the 14 jurisdictions said yes, that they felt that they worked in a non-partisan manner. One said no, and five gave no answer, so we can assume that there was some problems there. So anyway, I think we do well here.

Some of the other challenges — the continuity of members, when members change, Public Accounts members change, it makes it difficult to maintain that same tone and to have continuity. The difficulty with members such as ourselves, our first interest of course is representing our constituencies. This isn’t the most glorious job in the world, so it’s difficult for us to pull ourselves away from our most important work, which is our constituency work, to do this. The time constraints that’s involved and the research that’s involved — and this is something that’s felt by Public Accounts members right across the country — having adequate planning time and being able to do the kind of research that’s needed.

There was discussion about the importance of questioning as a skill — that some of us are good at and some of us are still learning — the importance of having precise and brief questions, and finding some way to spread the questions around through the committee. And then an interesting one — making officials feel comfortable in answering questions, so we’re not in a mode of interrogating but of wanting information. And lastly, how do we communicate our work as Public Accounts members? These hearings are telecast, but other jurisdictions have also looked at websites and press releases to communicate the work that they do. So that was the main session for me in terms of substance.

It was an interesting visit: good food, good music, and good conversations. I had a tour of the Food Technology Centre, the Atlantic Vet College, and the National Research Council for Nutrisciences and Health on the last day which was . . . And they’re all kind of linked together on the Charlottetown campus. And that was a very interesting visit.

And lastly, just a lot of parallels with our province — a concern there wanting to keep young people in their province rather than going West; no great desire to be like Alberta in Prince Edward Island; pride in their province and in the quality of life in Prince Edward Island, and then incredibly good hospitality. So with that, that’s my rather lengthy report.

The Chair: — Mr. Borgerson, that was very good, thank you. Mr. Cheveldayoff.

Mr. Cheveldayoff: — Thank you, Mr. Chair. I too very much enjoyed my time at my second conference, and I guess in keeping with the theme I feel like a veteran as well. I think you said it best at the conference. The first year you’re a rookie; the second year you seem to know what you’re doing; and the third year you’re a veteran. It was good. Mr. Borgerson outlined the formal part of the conference quite well. I enjoyed each and every session.

I very much looked forward to hearing from other provinces and adopting best practices, to hearing what’s going on. The discussion around the Nova Scotia situation I found particularly interesting with warranting cabinet documents and some of the challenges that they’re facing around the situation there. I also found it intriguing, the minority situation, what happens to a Public Accounts Committee in a minority situation that we see in Nova Scotia and we also see it in the federal House of Commons. So I found that interesting.

Very much I found the informal discussions with our colleagues from across the country very beneficial, talking about the little nuances and how their committees operate. And again tempering that is the large turnover. It seems that, you know, those that were there a year ago, maybe half are returning; some very seasoned veterans that have been there a long time and there’s much that they offer for the rest of us to learn from.

But overall I think it’s a well-organized conference, well put together, and it was a benefit to me and I appreciated going and joining the rest of my colleagues and representing our province.

The Chair: — Thank you, Mr. Cheveldayoff. Mr. Iwanchuk.

Mr. Iwanchuk: — Thank you very much. I guess if I could start out where Mr. Borgerson left off, was on the great hospitality I think that we were shown there. And I particularly liked the overall, I think, the discussions and the presentations on the effectiveness of . . . and I guess that’s sort of echoing I guess also the effectiveness of committees.

Also it was interesting to hear about the measurements and how people were struggling with trying to see measuring this effectiveness and, you know, how you would do that and how you would find out. So all the things that were mentioned in terms of whether it be the Chairs as opposition or how we sit and operate. And it was interesting to learn that we sort of, for

the most part, we are in there with the rest of everybody else that have tried to do this.

So again the one . . . maybe what hasn't been mentioned is the presentation from BC [British Columbia] and how they came about getting their auditor. And that was sort of an interesting topic. So other than that, I think it's — and just as Mr. Cheveldayoff has said — it's always an excellent experience to meet and discuss the issues with the other members from across the country. So with that, I think that would be my report.

The Chair: — Thank you, Mr. Iwanchuk. Colleagues, you've summed up the conference I think very well. Perhaps I should start with a thank you to Margaret Woods who also attended the conference and provided me with the outline of a report that I was able to give. I appreciate the fact that you had all of the details there, and it was just a very simple matter of stringing them all together to provide that report. As well the hospitality was typical Maritime hospitality, and we were treated very well.

Regarding a couple of issues, the issue of turnover on committees . . . and some committees saw very rapid turnover. Some committees have seen the same members for eons. Here in our situation we've seen some turnover, perhaps more in the last little while than we would like, but I also think that as long as the turnover is not too rapid it gives members a great opportunity to understand every nook and cranny of government. And to see some change, I think, is actually a good thing because I think it's a great education for MLAs to understand every department, and it's like taking a crash course on how government works.

With regards to your comments on non-partisanship, Mr. Borgerson, obviously the public accounts committees play a unique role in scrutiny, and if they're going to function effectively, they cannot be places to grandstand, and I think that has been reiterated on many occasions.

I think we're probably looking with a little bit of a utopian view if we think there will be no partisanship whatsoever, so I like to use the word constructive partisanship, and I use that in my report. Obviously as I listened to Mr. Iwanchuk's questioning of the SIAST officials, I saw some constructive partisanship in his questioning, and I've also seen it with some of my colleagues, including critics.

I think the bottom line that we have to recognize as members of this committee, no matter which side we sit on — and I was impressed where I saw that expressed in the reports I heard — was that all members recognize they have a responsibility to get to the bottom of issues and find out what the truth is and try to fix them. And if we see, you know, this non-partisanship used as an excuse by government members not to probe, then you're not fulfilling our responsibility as a committee to get to the bottom of issues. And it's embarrassing for our committee if we've passed over issues that we should have got to the bottom of because we really haven't done our job.

On the other hand if we become extraordinarily critical and we use the committee on the opposition side as an extension of question period, we too again lose credibility. And so we need to find that balance where we're not afraid to deal with issues, we're not afraid to ask questions and get to the bottom of

things, so that we won't be embarrassed at a future meeting of Public Accounts because we haven't, you know, we pass over something that we should have delved into a little more deeply. And on the other hand we haven't become so critical and so obstructionist that our committee fails to again cover the broad scope of issues that we need to cover.

And I believe that our committee probably is better than average perhaps on a Canadian scope, but always there is room for improvement and hopefully we will try to do that.

I would also like to thank the legislature. I think we should put on record we thank the legislature for allowing our committee to attend this conference on an annual basis, and I think we should continue to do that, because as we rub shoulders with the members of other public accounts committees, that is good.

Proposal for Meeting with CCAF Officials

The Chair: — Unless there is any other comments on that, I'd like to also raise the issue of a meeting with the CCAF which you mentioned and none of us can remember what it stands for. And I agree with Mr. Borgerson. I keep forgetting and I keep looking and they never do write anything but CCAF or in French it's FCVI, but it has to do with accountability and the effectiveness of what we're doing.

Mr. Eastman approached myself and other Public Account members — and probably some of you as well at the conference in Charlottetown — and asked if our committee would be open to having either him and/or Geoff Dubrow meet with our committee or a portion of our committee to discuss their recent study of the effectiveness of public account committees across Canada. As you know, they've done a fairly extensive project. They've got, you know, they've got this parliamentary oversight committees and relationships. They've done a lot of work.

I took the liberty on behalf of our committee to say that we would be extending him an invitation. I believe that it's kind of first-come, first-serve. They want to do one or two swings through Western Canada and hit the four provinces. They are prepared to come twice but not three times is what I gathered. And the first province to nail down the date would, you know, would have the advantage of having some influence over when that date was. And if you wait too long, if you want them, then you're going to be piggybacked on to somebody else.

So I would ask the committee to comment on that, and it would be the Chair's recommendation that we invite the delegation, whether it be one or two people, to come when we're sitting in November. I understand we'll be sitting through November. It's a little more complicated if we adopt our new calendar. I don't know where that's at. I'm not privy to just where that sits, but I understand it may change our schedule a little bit if it's approved. And so I guess we need to think about what morning we would be able to ask them to come and make a presentation to us. I think we would need at least an hour, and perhaps you would suggest that we need more time than an hour to meet with them to let them apprise us of what makes committees tick and what makes them work well. So I ask for your feedback on that. Ms. Crofford.

Ms. Crofford: — If they've gone to this work, then I think we would want to see it. I would suggest that we use the regular meeting time we had during session before, because then we know that worked. And if other people agree, that is what I would suggest.

The Chair: — Okay. What I would perhaps then suggest is that we ask our Clerk, Ms. Woods, to be in communication with the folks, Michael Eastman and Mr. Dubrow, and try to arrange a date. And if you would consult with Ms. Crofford and myself, we'll find a date and time that works . . . [inaudible interjection] . . . Yes and we'll try not to change it. And I would just urge that we do it as quickly as possible so that we in fact can be a little more proactive in saying when that date, when that meeting would actually occur. Are we satisfied with that? I don't think we need a motion to that effect, do we? I think we're fine just with that general instruction.

Okay, thank you very much. With that I declare the meeting adjourned on time.

[The committee adjourned at 12:30.]