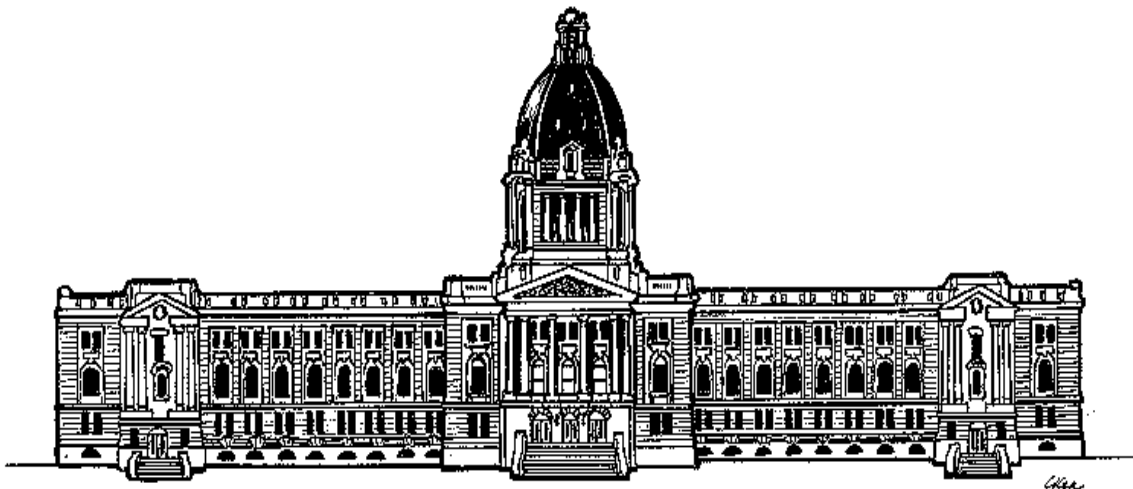




STANDING COMMITTEE ON HUMAN SERVICES

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Legislative Assembly of Saskatchewan

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**STANDING COMMITTEE ON HUMAN SERVICES
2005**

Ms. Judy Junor, Chair
Saskatoon Eastview

Mr. Wayne Elhard, Deputy Chair
Cypress Hills

Mr. Lon Borgerson
Saskatchewan Rivers

Hon. Joanne Crofford
Regina Rosemont

Mr. Glenn Hagel
Moose Jaw North

Mr. Ted Merriman
Saskatoon Northwest

Mr. Don Toth
Moosomin

[The committee met at 15:00.]

The Chair: — Good afternoon. The agenda for the committee today is three items. First of all we'll be doing The Education Act and education property tax Act, a culture Bill and estimates for the Department of Culture, Youth and Recreation. Before we do that I just wanted to alert the committee that we'll be tabling two . . . We have two documents that have been tabled and they'll be distributed to the committee.

And we have a new member of the committee and so we will need a new Deputy Chair and that election will take place before we do any of the other committee business. I'll open the nominations for the position of Deputy Chair. Mr. Merriman.

Mr. Merriman: — I nominate Wayne Elhard.

The Chair: — Mr. Wayne Elhard's been nominated as Deputy Chair of the Standing Committee on Human Services. Any further nominations? Any further nominations? Seeing no further nominations I'll move nominations cease. And it's moved by Mr. Merriman that Mr. Wayne Elhard be elected to preside as Deputy Chair of the Standing Committee on Human Services. All in favour? That is carried. Thank you very much.

**Bill No. 80 — The Education Amendment Act, 2004/
Loi de 2004 modifiant la Loi de 1995 sur l'éducation**

Clause 1

The Chair: — Then the first order of business is Bill No. 80, The Education Amendment Act, 2004. I'll ask the minister to introduce his officials and if he has any introductory comments regarding the Bill, to give them to us now.

Hon. Mr. Thomson: — Thank you very much, Madam Chair. I'm pleased to be joined today by Dr. Lois Duffee who is seated to my left, to the right on the committee; and by Don Sangster also from the department. We're here to answer questions about The Education Amendment Act before the Assembly. I have no additional comments other than what I had provided in the second reading speech some days ago.

The Chair: — Mr. Gantefer.

Mr. Gantefer: — Thank you very much, Madam Chair. And welcome Minister and Mr. Sangster and Ms. Duffee. It's a pleasure to have you here this afternoon to discuss some of these educational Bills.

Minister, it seems to me when I look through it's a very short Bill that essentially what it does is change the school division election dates, basically is it. Can you outline the background of why this legislation is necessary?

Hon. Mr. Thomson: — With the introduction of the restructured school divisions this year, there is a requirement in the Act to hold school board elections for those divisions. The difficulty we would run into is because it is an off-cycle election, is that the boards would be elected this year in '05 and would then go back up to election in '06. What, in discussion with the stakeholders, we have preferred to do and what this

legislation does, is allows the term of office for the newly restructured boards to serve until the next normal election cycle which would be in '09.

So in this case for the restructured boards, the 12 — is it 12 restructured — 12 restructured boards . . . [inaudible interjection] . . . Okay, with the restructured boards we would have the new boards serve for a period of four years, at which point in '09 all boards will be back on the same election cycle.

Mr. Gantefer: — And Mr. Minister, in '09 then the elections would be held in conjunction with the municipal elections as currently is the practice?

Hon. Mr. Thomson: — That's correct.

Mr. Gantefer: — Thank you very much, Mr. Minister.

The Chair: — Any further questions? Seeing none, is Clause 1 agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clause 2 and 3 agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Education Amendment Act, 2004. Can I have a member move that this committee report Bill No. 80, The Education Amendment Act, 2004 without amendment? Mr. Borgerson.

Mr. Borgerson: — I so move.

The Chair: — Thank you. It has been moved by Mr. Borgerson that Bill No. 80, The Education Amendment Act, 2004 be reported without amendment. Is the committee ready for the question?

Some Hon. Members: — Question.

The Chair: — Question. All in favour?

Some Hon. Members: — Agreed.

The Chair: — Agreed. It's carried.

**Bill No. 114 — The Education Amendment Act, 2005/
Loi de 2005 modifiant la Loi de 1995 sur l'éducation**

Clause 1

The Chair: — Next Bill is Bill No. 114, The Education Amendment Act, 2005. The minister, I see, has the same officials. Are there any opening comments you want to make concerning this Bill?

Hon. Mr. Thomson: — Yes, Madam Chair, this Bill does two major . . . has two major changes to it. One is it provides us with the ability to delegate some powers to the newly

restructured boards that will be elected on June 15th. There will be a six-month period where they will run concurrent with the existing boards so we had wanted to clarify what powers could be delegated to them. Mostly in this case it will be human resource issues, the ability to make decisions about where head offices are and to begin the work on establishing what tax rates might look like, although they will not actually have the authority to run the schools or to set taxes until January 1 of '06. So it provides that.

The second major set of amendments that are in place deal with the prohibition on corporal punishment. This is a set of provisions that we have moved forward with largely at the request of the Children's Advocate and we believe they are for the most part consistent with the approach that the Supreme Court has made.

I want to say that for the most part, and I think we can say almost without exception, corporal punishment is not used in the schools today, and as such this simply removes an outdated method of discipline.

The Chair: — Questions? Mr. Hart.

Mr. Hart: — Thank you, Madam Chair. Minister, I'm told that in other jurisdictions or other provinces — Manitoba and Ontario — that before they went ahead with restructuring of school divisions they actually passed some enabling legislation. So my question to you today is, at this point in time, as of 3 o'clock this afternoon, do you have the power under The Education Act to facilitate restructuring of school divisions in this province?

Hon. Mr. Thomson: — Yes. I have in fact signed into existence a number of restructured boards. Those boards are in existence and will be, as a result of the elections are being held on June 15th, will have duly elected trustees. The issue in this Bill is to allow us to delegate a set of select powers to them so that they can begin work.

If this Bill did not pass and we were not able to establish select powers for them, they would continue in place until I disestablish the previously existing boards which would . . . at this point we are planning to do as of December 31 of this year. If we were not able to delegate to them powers we would probably still continue to work with them on training and make sure they were getting ready for the amalgamation, whether they have the ability to hire CEOs [chief executive officer] or not.

Mr. Hart: — So, Minister, then last summer when you were meeting with a number of boards of education and explaining your plans for restructuring . . . and I believe you told a number of boards, including the Melville-Deer Park board, that the only piece of legislation you needed to bring forward in order to accomplish restructuring was Bill 80. My question to you is, are my comments accurately reflecting your statements to boards of educations?

Hon. Mr. Thomson: — That is true. What this Bill does is now enhances the role of those boards. There is no additional legislative authority required. The Education Act provides the minister with sufficient authority to reorganize, to establish, and

disestablish boards of education in the province. And as such the changes that we are pursuing here simply clarify what the role of those boards are during transition period.

If this were not to pass we would need to re-examine what the disestablishment schedule would be, as to whether we wanted to move up by simply disestablishing the existing boards at an earlier date.

Mr. Hart: — Minister, if this Act does not pass would we not be electing boards of education for non-existing school divisions? In other words would the boards have any validity at all — the new boards that will be elected on June 15.

Hon. Mr. Thomson: — The restructured divisions exist as legal entities as of two weeks ago when I signed the ministerial orders creating them. So the new boards, the new divisions exist. They do not at this point have operational authority because that still is vested with the other boards and that will not transfer until we disestablish those boards.

This Act provides us with a set of . . . with an ability to provide transitional power to them.

Mr. Hart: — So then I guess my next question to you would be then, why did we not see this Bill in last fall's session? Why didn't you introduce it last fall if you knew that you needed to do this to make the transition to the new divisions, you know, much more so it would facilitate the transition so that the boards could actually . . . the new boards could actually get up and running and planning and those sorts of things? Why didn't we see this Bill earlier then?

Hon. Mr. Thomson: — We had still as of last fall not made the decision about when the school boards would be elected — as to whether it would be in June or whether it would be in October of this year. It was largely on the advice of the school board association and others who opted for an earlier date, who were pursuing that they wanted us to go with a May or June election. And as such we wanted to make sure there were some ability for us in that six-month period to provide transition. If we had gone with October elections in this year we would not need this Bill because there would be a very small time between the new boards being elected and the old boards being disestablished.

So it was really flowing from that discussion and . . . with the school board association that was pushing us for early elections that led us to wanting to have these powers, or at least some ability to delegate powers to them.

Mr. Hart: — I think the reason that you went with the earlier elections, the June 15 rather than this fall, is that the school boards were telling you that if you waited until the fall to have these new boards in place that you would have chaos because there would be absolutely no ability for them to get anything into . . . any structure in place so that they could effectively operate their boards.

And it appears to me, Minister, I think that when you initially announced the restructuring plan about a year ago, that is about as much advanced planning as you did. And then I think you just kind of realized that as you got into the process that there

was more involved in this whole restructuring than you'd anticipated, and therefore that's why we saw, you know, the late introduction of Bill 114. I think that's why we see the Minister for Government Relations introducing Bill 105 that deals with municipal and school board elections. I think . . . I don't think you did your homework, Minister, and I think you're kind of making it up as you went along.

And you know as I'd said in the House my greatest concern is that in this whole short time frame — and I think we've discussed this before that you know the reasoning — I don't understand why we're moving so quickly on this, why we aren't . . . And I think a lot of people don't understand why we aren't doing this January 1, 2007 rather than 2006. And as I said in the House, my greatest concern is that — and it's my fear and I hope it doesn't come to pass — that students, some students will be negatively impacted in the classrooms, particularly those students that have special need, require additional services of our teaching specialists and those sort of things.

I've heard those fears echoed by current boards of . . . or members of boards of education and by directors of education, Minister, and I think it's my duty to bring those concerns forward to you.

Hon. Mr. Thomson: — Well the member is consistent in his argument and as members of the committee will appreciate I clearly don't agree with the assessment or the argument that he's presented. But nevertheless I would note that he is nevertheless very consistent in this argument. It's the same one he's presented for some months in the House and unfortunately I disagree with him.

The Chair: — Mr. Gantfoer.

Mr. Gantfoer: — Thank you, Madam Chair. Minister, in this Bill are there sections . . . I believe there are sections that deal with the relationships of boards of education within the new, larger districts in terms of personnel and as well assets and things of that nature. Are these enhanced powers of discretion that you have in order to, if necessary, adjudicate the way assets are allocated from the existing boards to the new boards of education?

Hon. Mr. Thomson: — I'm going to ask the officials to answer that specifically. It was not our intention to seek additional authority but perhaps you can offer some clarification.

Mr. Sangster: — Well the ministerial orders do determine the distribution of assets. So in every case there have been previous consultation with the boards. They've actually passed motions in every case except one, giving us recommendations on exactly where the asset distribution was to go.

It certainly has not been an intent that the minister would be directly involved. However his officials have certainly been involved in working with the present boards to determine how the assets will be distributed. Now it's very simple when it's, you know, for an example up in the Northeast, where you would be familiar, it's four complete school boards going together. The assets just go with them.

The issue is a little bit more complicated when you have a place

like the Davidson division going in two directions. And so, you know, in those situations there was consultation with the board level. And the Act gives the minister the determination of the distribution but we've worked to try and make sure that it was done in consultation where in every case but one actual motion.

Mr. Gantfoer: — Thank you, Mr. Sangster. I guess to the minister and to the officials: if there are . . . In all cases there wasn't sort of unanimous belief that this was the best configuration to move forward with. If indeed as part of that reluctance to move voluntarily that there could be demonstrated or might be demonstrated some significant discrepancy in the equity of the assets that current divisions have compared to each other and that they're bringing to the table — you know, if some dowries are bigger going into the new relationship — is there any methodology that would take account of that to the ratepayers who by their contribution through property tax enhance the assets of one division versus another that's moving into the new relationship?

Hon. Mr. Thomson: — This is a very interesting question that is posed because while we have not at this point experienced that there is obviously some discussion — I hear this myself in some communities — about reserves that have been built up and whether those reserves should be spent on facilities. In particular I mean these are primarily capital project reserves, whether they should be spent on schools within the existing divisions. For the most part the divisions today are moving co-operatively to define how those should go into the central pool.

There are however some divisions that are making decisions to spend down the reserves in support of schools within their existing boundaries. That is their right to do so. For the most part however it appears to be still in the educational interest of the students and appear to be reasonable expenditures. There's not an ability in the existing Act or in the new Act to allow the minister to intervene on that. And indeed I have to say of what I have seen happening across the province, I haven't seen any compelling reason why we would involve ourselves in that.

Mr. Gantfoer: — Thank you Minister. Minister, in this or other legislation, do you have or does the department have the ability to suggest or indeed insist on some limits to what . . . or some limits to the administrative structure of a division? What I am getting at particularly, divisions may decide to have a fair, abundant number of administrators or deputy directors or whatever, particularly if large geography is involved. To facilitate accessibility and to minimize travel or things of that nature might be very legitimate reasons. I'm not sort of implying any improper or poor decision making.

But is there some guidelines in terms of the administrative structure that you want to see in these newly created districts?

Hon. Mr. Thomson: — There are a number of options that we are working on to assist the new boards. And this is one of the reasons why having some transitional time will be beneficial to allow them to work through what model is most appropriate for them. I'm not convinced that we will see a one-size-fits-all model. Obviously the divisions still differ across the province in terms of geography and in terms of demographics. They'll need to work through the appropriate structure for themselves and

indeed will be held accountable to their ratepayers for that structure.

There are however some limitations in terms of the number of administrative officials that can be employed within the divisions and those are established in conjunction with the STF [Saskatchewan Teachers' Federation] as we have previously discussed. There are also obviously models that we believe work better and I believe that boards will come to favour a narrower number, probably three or four different options we're looking at in terms of structure.

But we need to still be mindful of the fact that there are going to be different configurations. And I think about the difference again between the southwest part of the province and the west central part that will have two different geographic configurations, and have I think different approaches that they'll take in terms of setting this up. Again it'll be the case and the Northeast will be somewhat different than Sask Rivers has.

So these changes will need to be decided on by the board. But we are not taking a directive approach, rather a more of an advisory approach to helping them assist . . . helping them develop that model.

Mr. Gantefer: — Thank you, Mr. Minister. Minister, you know, in the Northeast, if we can use that as an example, also a Fransaskois school. And I would like to understand the relationship that will occur because the school that is in Zenon Park for example has a co-operative relationship with the public school in that they have a shared school if you like, or at least portions of the school are shared and then portions are operated by each individual school division. And under this amalgamated process how are the relationships going to be with the newly created divisions and the Fransaskois system?

Hon. Mr. Thomson: — I understand there are two types of relationships we're talking about. One are the contractual relationships that are in place. Those contracts, if we call them that, will migrate to the new restructured boards.

There are however then the other relationships and I think we had some discussion in the Assembly last night about that. And we are going to have to work with the new boards to make sure that we're able to continue on with what I would call a common sense approach to education in local communities. This is a concern as it pertains not only to the francophone school division, but also in the relationship between the public and the separate system in many communities where there are looser shared-services arrangements in place.

This is one of the reasons that persuaded me to go with the earlier election dates. To allow us some time to work through that and to try and bring into this discussion a more collaborative approach to doing it rather than a more directive approach which a tighter time frame might have allowed. I expect the communities will work through a lot of these issues once we have trustees elected. We know who those people are. Once we have them then we are able to appoint the directors and the senior officials. And I think what we'll see is a lot more continuity built in that will diminish some of the concerns that we're hearing and indeed are identifying today.

Mr. Gantefer: — Minister, in communities that are going to move to the new, larger amalgamated division or districts, they're going to bring some of their individuality to that process. Although that, by and large, if we're speaking of the public system for example it's not a carbon copy in every community. It's more of a mosaic of local, cultural, and community priorities. And now that's going to move into a larger entity if you like and since we started using the Northeast as an example, there would be individual cultural differences between communities in Melfort and Tisdale and Nipawin and Hudson Bay and the other communities.

Are you expecting that the newly formed divisions will have policies that would apply uniformly throughout the new divisions or that there would be the ability to create unique kind of situations depending on the community's priority? And how would that be reflected?

Hon. Mr. Thomson: — Boards will have the ability, as they do today, to establish either uniform policy across the division — and in many cases we anticipate that that will happen — but they will also undoubtedly want to build in some flexibility either to recognize traditional relationships or to recognize unique circumstances, because communities do vary both in terms of cultural composition but also in terms of the resources available to them.

I anticipate that boards will be sensitive to that. There will however be a need to work through . . . and what I hope will happen is that the new boards will end up developing a best-practices approach of taking from among the boards that are amalgamating the best human resource policy and practices, the best policies on bullying, the best approaches to doing a human resource development.

One of the areas which is a certainly going to be a challenge over the next few years will be sorting through the local agreements. And I know we had some discussion about that last night, but this will take us some time. It will take boards some time to work through in terms of how that works.

If I may add one other point — and not to be overly long-winded about — boards will need to decide whether they want to have uniform contracts in issues of busing or whether they want to continue with a multiplicity of service providers. These are all issues that the individual elected boards will need to deal with.

One of the positives of the reforms relates to the subdivision boundaries. Because we have subdivisions put in across the province we have in place a number of different geographic representatives, and I think will provide a fairly strong representation across the boards of previous practice in terms of how that has functioned. So I'm hopeful that as they build the new system that they'll recognize what worked best in those areas and hopefully try to migrate those practices across the board.

Mr. Gantefer: — Thank you Minister. Minister, as well going to these new amalgamated districts while . . . And again the case of the Northeast you're talking about whole school divisions that are amalgamating. There were also other relationships that existed between school divisions in shared

service districts for example and you know there might have been boards other than — and maybe including the boards that are currently amalgamated — that were in relationships to share speech language pathologists or other kinds of support staff.

And no matter while you are creating fewer boards, there still always is borders that end up artificially and sometimes you know not perfectly designated. How are those former relationships? Are they allowed to continue potentially or are they encouraged to continue? Or is it envisaged with these larger districts they will not be required and would be embedded in the new larger district?

Hon. Mr. Thomson: — Yes. If it's okay I'll ask Don Sangster to answer that.

Mr. Sangster: — We certainly have anticipated that, the restructuring coordinating committee. And in fact one of the requests around it came out of the . . . from the director of the Melfort School Division because in fact they do belong to a shared services that goes outside of their . . . goes into the new, what we're calling the Central School Division as well.

There is a bulletin that will be going out in the near future around this particular area. And what we're strongly recommending to the boards is that they work with the individuals that are involved in those shared services where . . . Well to take Melfort as an example. They may have been living in Melfort but providing service to somewhere else that isn't going to be part of that new school division. The boards are being encouraged to, actually to have the employees name or basically indicate their preference as to where they . . . you know which of the two systems they want to be part of in the longer term. And that's again in Davidson as another example.

And then the boards will . . . In the meantime for the school year '05-06, there is a need to assure that you know if somebody is starting the year working with three schools and two of them are in one division and one is in another division, that that continue for this next school year at least while there would sort of be the opportunity to put the new services in place.

And so the encouragement and the strong recommendation is that the adjoining boards will work together to work with the employees to make sure that both the employees' rights are protected and the service to the individual students or to a group of students — depending on the type of service we're talking about — is maintained, both in the short term and then in the longer term. That's, you know, the new boards will decide for the September '06 what are their requirements and who they're going . . . you know if there are shortages, where they're going to go get them.

And I think they'll find . . . for an example Kindersley area, that's another area we talked about. No matter where that school division is headquartered the likely service provided to Davidson is going to be out of Saskatoon. That's what's happening now. That's what's likely going to happen in the future. It will be a contractual situation. So we're encouraging those, you know, those things to continue. But it certainly is, you know, it is an issue.

Mr. Gantefer: — Thank you. Is it envisaged that if it makes sense between two boards to continue with a shared service agreement, that it could be established in addition to having the employee choose that the boards may agree that the current communities that are being serviced by an individual would continue in force.

Thank you, Mr. Minister, and your officials. I guess the other comment, this Bill sort of catches a fair number of things. And I certainly note on the record as well it deals with corporal punishment. And I certainly support this direction and enshrining it in legislation. And I certainly acknowledge that the practice has more currently been that there is no corporal punishment. I think that's appropriate.

However I have memories of when that wasn't the case. And I can't say for the record either that they were pleasant memories so I do support this very strongly. Thank you very much.

Hon. Mr. Thomson: — If I might just make one comment on that and I want to address concerns that have been raised with me by the teachers' federation and the school board association on this.

These prohibitions are intended to deal specifically with discipline and with a punishment and the prohibition of it for that purpose. This will not limit the ability for a teacher to periodically, by necessity, use some physical force to deal with disorderly conduct. They will still have the ability to use physical — as the Act prescribes, within a parental context — physical force to correct behaviour. But it does prohibit the use of any physical objects to discipline or to punish children.

And I think in that way we have struck the appropriate balance between what the needs are of teachers who serve a parental role in our schools and obviously the rights of children as we understand them in this, the early part of the 21st century.

The Chair: — Further questions? Seeing none, then this Bill has 25 clauses. Would it be the wish of the committee to vote them off in a block? Okay. Clauses 1 to 25. Are they agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 25 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Education Amendment Act, 2005. Could I have a member move that this committee report Bill No. 114, The Education Amendment Act, 2005 without amendment. Mr. Borgerson?

Mr. Borgerson: — I so move.

The Chair: — It has been moved by Mr. Borgerson that Bill No. 114, The Education Amendment Act, 2005 be reported without amendment. Is the committee ready for the question? Is it the pleasure of the committee to adopt the motion?

Some Hon. Members: — Agreed.

The Chair: — Motion is carried.

Bill No. 115 — The Education Property Tax Credit Act

Clause 1

The Chair: — The next Bill is No. 115, The Education Property Tax Credit Act. The minister has the same officials. Any comments on this Bill?

Hon. Mr. Thomson: — Madam Chair, this Bill operationalizes the decision of the government to introduce a property tax credit of \$55 million this year and \$55 million next year to property tax payers in the agricultural, residential, commercial, industrial classes and establishes the mechanism for doing that as flows from the discussion of the working group involving SARM [Saskatchewan Association of Rural Municipalities], SUMA [Saskatchewan Urban Municipalities Association], and the school board association.

The Chair: — Questions? Mr. Gantefoer.

Mr. Gantefoer: — Thank you very much, Madam Chair. I am reluctant to get into a repeat of the debate between the member from Canora-Pelly and the minister last night. But I think it's fair to say that the educational property tax relief was designed to provide relief to the property tax payers and as such is being designated to move through the municipalities as a credit against educational property tax which is like a diminishment of the amount of money that property tax payers will pay towards their educational component, assuming that nothing would change in terms of either the assessment or the mill rate on that property.

And I'm in receipt of a letter from the Saskatchewan School Boards Association that comments, and I'll quote it. It says, and I quote:

The funding for the education property tax credit is provided from a one-time equalization reconciliation payment made by the Government of Canada to the Government of Saskatchewan. Consequently the \$54 million education property tax credit in 2005 and 2006 is not sustainable beyond 2006.

So it's really a program for two years that is as a result of federal-provincial negotiations. And I think property tax payers in the province are glad for those successful negotiations because it provides some relief. However I think the concern expressed in this letter and subsequent paragraphs or sentences by the School Boards Association is there isn't a sustainable long-term plan at this stage. And I'm wondering if the minister might outline what his plans are for sustainable property tax relief beyond 2005 and 2006.

Hon. Mr. Thomson: — Well this is . . . This Act as it's constructed is to deal with the interim, with the short term, the near term, whatever we want to call it, for property tax relief.

Certainly the bigger challenge for us is how we can achieve long-term, sustainable reductions in property tax. And there are two competing issues that come to be on this. One is the fact that as we continue to contribute more to school divisions in

support of education, taxes also appear to be going up. And I use as an example of that, over the last decade the province has increased its funding for K to 12 [kindergarten to grade 12] education by some 40 per cent — I think it's about 38 per cent.

In that same time period school boards have voted to increase or have seen as a result of reassessment changes increases in the amount of money coming from property taxes, an additional 40 per cent. So we have a case where the province is contributing more money, taxpayers are contributing more money through property tax, and school boards are then as a result seeing an increase in their overall budgets.

One would have hoped when we were increasing the amount of provincial education spending that that would go and serve to reduce the amount of pressure there is on the property tax base. That has not been the practice or been the effect at least over the last decade.

Part of what we will need to discuss with boards over the coming years, and certainly in the next couple of years, is how we can achieve a true change for property tax payers in who foots the bill. Part of that is discussing what is generating the cost increases, how we fund that, and then how that's recognized and sustained.

And it is the second issue I was going to address that is complicating this, is the fact that the foundation operating grant system in many cases has not served what many of us would've hoped in terms of the ability to reduce pressure on property taxes. For example in zero grant boards, any increase in expenditure on teacher contract or otherwise, even if fully funded by the province, has traditionally meant that that has gone on to the property tax base in those zero grant boards.

So there are two competing problems here. One is the issue about the increasing cost of education and the second is the issue of who pays for it and how we as we transfer more money from the provincial treasury, how that benefits taxpayers as opposed to simply allowing the system to expand in terms of its services.

The short answer is this is a big problem and it's a big question we're going to have to work with the boards. We are continuing to work with the restructuring committee to look at how . . . sorry, the working group, to talk about how it is we may be able to deal with longer term relief, but certainly this Bill contemplates for 2005 and 2006.

Mr. Gantefoer: — Thank you Minister. Minister, you have identified that the system is experiencing significant increases in its demands or its needs for funds. Has the department broken this down? Is it personnel costs? Is it inflationary costs of auxiliary services?

I recall from my days on the board of education that, you know, personnel issues were the vast majority of the cost of any board. And it was impossible to make meaningful adjustments to the budget by looking at how many volleyballs you had purchased. It was personnel that was really the necessary ingredient. Are there issues that are occurring that are driving these costs upward in rural and urban Saskatchewan and are there some that are related to individual pockets?

Hon. Mr. Thomson: — Well there are a number of pressures that we are seeing. Certainly personnel, as the member identifies, is the single largest pressure both in terms of the teaching profession but also additional personnel who are being brought in. It's increasingly common now to see teachers' assistants used more widely throughout the system. That obviously puts an additional cost pressure on to the system.

The fact is that there are a number of decisions being made which are requiring additional resources. I know that a lot of attention has been paid to the cost of special needs students and to what extent that is increasing the cost the boards are looking at, at needing to bear. And there is a factor there that that needs to be considered.

There is an additional issue around depopulation and the decreasing, declining student numbers that is putting pressure on infrastructure cost. Obviously they're trying to maintain schools in a number of communities, that as you maintain a large number of schools across this sparsely populated area there's an additional pressure there. Busing costs are an issue. There are a number of different pressures in the system.

And so while most of it would be related to personnel, it's not exclusively so. We have a systemic issue that we are going to have to deal with particularly as we look at a trend line of declining student numbers. And I wouldn't say that it is unique to urban or rural areas. There are a number of factors in both that contribute differently.

The other issue that we need to identify is that boards are looking at expanding their programs. I was intrigued to read the response out of the Saskatoon Catholic division that had said that they were going to increase their mill rate this year because the government wasn't providing them with enough money. And then at the same time decided they were going to expand their program into . . . what were they doing, kindergarten, pre-kindergarten expansion. So at the same time that they're concerned about the cost of education, they're also expanding the programs.

So we're seeing a proliferation of services. We're seeing increased costs to maintain infrastructure. And we are seeing some additional pressure in the system due to growing issues around second language instruction and special needs children.

Mr. Gantefoer: — Thank you, Minister. Minister, you know I think everybody's on record with supporting the concept in principle of School^{PLUS}. However I'm wondering that some of the added fiscal pressure on the Learning department or on school boards might be attributed to the fact that the schools are trying to implement, in many instances, community schools and School^{PLUS} programs.

And I'm wondering if they are starting to provide services that are more appropriately related to Social Services or Health or Justice or things of this nature. And a more aggressive contribution from those other departments need to be made in order to fund these programs so that they don't just fall on local boards' budgets which would by definition drive some of the costs.

Hon. Mr. Thomson: — This is a very good question. And I

think it's really a crucial part of the debate we are going to need to have about School^{PLUS} and the direction of the system, is to what extent schools should be offering those services and to what extent we should be inviting the current service providers to better coordinate their relationship with the school system.

The disadvantage that the schools have is that there's not an easy way to say no to the services that we obviously see, and teachers are seeing, needing to be provided in the schools. And so as a result, the teachers, the boards, the administrators are attempting to deal with the very real social pressures, whether that is in inner-city schools to develop feeding programs, whether that is in terms of rural schools wanting to maintain recreation programs, or whether that is needing to deal with growing concerns — as I think we've all identified — in areas like public health around drug and alcohol addiction and awareness issues.

So we are going to have over the next few months to really focus the debate on what School^{PLUS} is, who should provide it, how it should be configured, and how we move forward with it. At this point it's largely been driven by a pilot program. And if we were going to move forward with the province-wide rollout, we are going to have to be very clear on who provides what.

I'm still somewhat resistant to the idea that we simply transfer money from Social Services or from Health into the school boards for them to deal with those issues around children and youth. I would rather that those individual departments continue to work with, in their perspective, with those children through their mechanisms. But we've got to figure out how to coordinate it better. Thank you.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Madam Chair. Minister, I'm looking at a news release that was issued by your department in speaking of Bill 115. And it says, and I quote:

Residential and agricultural property owners and most businesses will receive a reduction averaging eight per cent . . . [of] the education property tax levy for 2005.

And I find that phrase — averaging 8 per cent — I heard you say that property owners will receive a tax reduction of 8 per cent. And so I'm just somewhat confused by that phrase in the news release, that averaging. Is there something more than in the calculations than a straight 8 per cent calculation on the education portion of a property tax notice?

Hon. Mr. Thomson: — The phraseology is there to reflect the fact that there is in fact a cap that is built into the legislation of \$2,500 as the maximum reduction for any one property. So there will be some — I don't know that we have the number today — but there will be some ratepayers who will not see 8 per cent, those who are paying significantly large bills. And I can think of . . .

I'm advised that anybody paying more than \$31,000 in education tax would . . . the amount above that would not be subject to the rebate. So anybody who's paying less than 31,000 in education property tax will see the 8 per cent reduction.

Mr. Hart: — Thank you for that explanation, Minister. In clause 5 of the Bill gives you the ability to consider assisting municipalities with the costs of administering this, I believe. What arrangements have you made with SARM and SUMA to help offset some of their additional administrative costs associated with this tax credit?

Hon. Mr. Thomson: — We've set aside a notional amount of about \$1 million to deal with the administration of the program. This was at the request of SARM and SUMA who had believed that this was the best way for us to move forward with it.

It does differ, and the member and I had some debate last night about the previous rebate program. This is definitely a lower cost option than going with the previous rebate-style program. In terms of dollar values, we had estimated that if we had implemented this using the rebate system that we previously had in place, the cost would have been closer to \$6 million in administration. This provides us with \$1 million, and we're working with individual municipalities to sort through the cost.

Mr. Hart: — But there will be some assistance to municipal governments for the administration of the tax credit in the two years 2005 and 2006?

Hon. Mr. Thomson: — Yes. I think that Mr. Sangster has some additional information.

Mr. Sangster: — What has actually been identified is the municipalities have identified the cost of changing their software programs to deliver on the tax notices. Really that's all they've really identified as the major cost.

And so what the Bill does allow us to pay on behalf of the municipalities, the software vendors in some instances, in the case of a lot of small urban municipalities where they don't use any sort of a computer in their tax notices, then it's basically assistance of so much per tax notice to, you know, to allow the administrator to actually be sort of compensated for the time spent on that. And then in a case of a couple of the larger cities, I think Saskatoon, Regina — but it might include P.A. [Prince Albert] as well — but I know Saskatoon and Regina, where they have in-house computer people.

But again, to change the system, that's really — there might be a few minor incidental other than that — but that's really all that's been identified as a need and, you know, that seems to be quite a level of comfort from all.

I don't think it's going to reach the 1 million, but we're in a . . . the contracts actually have all been finalized with the vendors. The work has been done. It's a matter of adding them up and I haven't seen that yet.

Mr. Hart: — Thank you for that. Just one short question. Last night when we discussed this issue in the Committee of Finance, I had asked whether you had the global numbers as far as the approximate amount of dollars that would be allocated to the three classes of property that are discussed. I wonder, do you have those numbers today and if you don't, would you provide them at a later date would be fine.

Hon. Mr. Thomson: — Well I think if the member were to ask

me a third time, I would feel absolutely compelled to come forward with the numbers. So I will get them ready and wait for his next question.

The Chair: — Any further questions?

An Hon. Member: — No.

The Chair: — Then is clause 1, short title, agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 7 inclusive agreed to.]

The Chair: — Thank you. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Education Property Tax Credit Act.

I would need a member to move that this committee report Bill 115, The Education Property Tax Credit, without amendment. Mr. McCall, thank you.

It has been moved by Mr. McCall that Bill 115, The Education Property Tax Credit Act, be reported without amendment. Is the committee ready for the question?

Some Hon. Members: — Question.

The Chair: — Is it the pleasure of the committee to adopt the motion?

Some Hon. Members: — Agreed.

The Chair: — Agreed. It is carried.

We now have a change of officials. We'll give them a minute to get back in here. And the next business before the committee is Bill No. 93, The Doukhobors of Canada C.C.U.B. Trust Fund Act.

Bill No. 93 — The Doukhobors of Canada C.C.U.B. Trust Fund Amendment Act, 2005

Clause 1

The Chair: — I'll have the minister introduce her official, and the item we have up before the committee is Bill No. 93, The Doukhobors of Canada C.C.U.B. Trust Fund Amendment Act.

Hon. Ms. Beatty: — Thank you, Madam Chair. I'll introduce the staff with me and good afternoon to everyone. I have to the right of me, Barbara MacLean, the deputy minister; and Dawn Martin to the left, executive director of culture and heritage branch. Behind me, Dylan Jones, executive director strategic policy and youth branch; Val Sluth, director sport and recreation branch; Melinda Gorrill, director corporate services branch; Don Herperger, director government records branch, Saskatchewan Archives.

And from the Centennial 2005 Office, Glenn Hagel, Legislative Secretary; Bryon Burnett, chief executive officer; Cathy Ann

Molnar, director of marketing and communications; Shawna Kelly, communications consultant; Danny Wilson, chief financial officer; and from SCN, Saskatchewan Communications Network, Twyla MacDougall, executive director, finance, strategic planning, and human resources.

The Chair: — Thank you. Does the minister have any comments on the Doukhobor Bill?

Hon. Ms. Beatty: — Basically this Bill is an administrative change. And in the past the process has been for Alberta and BC [British Columbia] attorneys general to have approval of the board makeup, which are nine board members from the three provinces. And basically they have requested that we make a change and to have the societies themselves nominate individuals and submit them to our department here and proceed from there. And there's been consultations done with the government and also with the societies, and this is what the process will be. This is the recommendation.

The Chair: — Questions? Mr. Elhard.

Mr. Elhard: — Thank you, Madam Chair. I just have a couple of brief questions pertaining to this piece of legislation. I see that it's really administrative in nature, but I'm wondering, under the previous arrangement, the various Doukhobor societies or organizations recommended names. Those names were nominated by the respective governments and were later approved by the minister responsible.

Now we have a situation where the governments are not going to be involved in the nominating process but they still have responsibility for approving the people. According to the legislation, these individuals will be nominated by recognized Doukhobor societies recognized in their respective provinces. But clause 2 in each case says, approved by the minister. So what kind of responsibility does the minister assume as part of that approval process?

Hon. Ms. Beatty: — I'm going to have Dawn Martin reply to that question.

Ms. Martin: — Thank you, Minister, Madam Chair. The approval of the minister refers to the minister from the province of Saskatchewan responsible for the Act. And the nominations will simply come in . . . the number of nominations that will come in will be the number required to fill the seats from each jurisdiction as stipulated in the Act. And really it's just because it's ministerial appointments in the Act, it's just the minister has to approve them. And the approval process is the establishment of ministerial appointments.

Mr. Elhard: — So it's just a formality? Is that what you're suggesting? The minister takes no responsibility for the approval of those names?

Ms. Martin: — We have contemplated establishing in regulations some sort of formal process that outlines and stipulates what the process is by which each of the Doukhobor societies in each jurisdiction will come up with the nominations, at which point we would probably remove the requirement for the minister to approve. But at this stage it's just a fail-safe until we come up with that.

Mr. Elhard: — I don't believe I have any other questions except maybe to understand that this change was driven by the parties related to the C.C.U.B. [Christian Community of Universal Brotherhood] Trust Fund or by the governments of the other jurisdictions.

Ms. Martin: — It was driven by the Government of Alberta in particular who refused to participate in the process any more. And then when we consulted with the Government of British Columbia they actually said that they had some discomfort with the process as it was as well.

So we worked with the C.C.U.B. Trust board members and considered a number of options including dissolving the trust responsibility of the provincial government and moving to a non-profit charitable organization. And this was the option that that group was most comfortable with.

Mr. Elhard: — Thank you.

The Chair: — Seeing no further questions. Is clause 1, short title agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 and 3 agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Doukhobors of Canada C.C.U.B. Trust Fund Act.

Can I have a member move that this committee report Bill No. 93, The Doukhobors of Canada C.C.U.B. Trust Fund Act without amendment. Mr. Borgerson. Thank you.

It has been moved by Mr. Borgerson that Bill No. 93, The Doukhobors of Canada C.C.U.B. Trust Fund Act be reported without amendment. Is the committee ready for the question? Is it the pleasure of the committee to adopt the motion?

Some Hon. Members: — Agreed.

The Chair: — That's carried.

General Revenue Fund Culture, Youth and Recreation Vote 27

Subvote (CR01)

The Chair: — The next item of business is the estimates and supplementary estimates for the Department of Culture, Youth and Recreation. The minister has already introduced her officials and since they've been before the committee before, I ask the minister if she has any additional comments to make before we start questions?

Hon. Ms. Beatty: — No, I don't.

The Chair: — Questions then. Questions for the Culture, Youth and Recreation? Ms. Draude.

Ms. Draude: — Thank you very much. Madam Minister, and to your officials, I look forward to involvement and more questions today. I'm going to start with again the Tommy Douglas film that we talked about earlier today. After the estimates and a week or so ago, we had a number of people that were discussing the issue with us, and they had some concerns that I'm bringing forward on behalf of a number of individuals.

I'm going to start with the briefing note that was given by the Department of Culture, Youth and Recreation regarding the Tommy Douglas movie. One of the statements that was made in the briefing note prepared by Dawn Martin, under recommended response read:

There is no policy rationale to support investment in this project beyond the Film Employment Tax Credit . . .

And another one of the statements that brought concern was:

. . . Any support outside the provisions of existing programs and policies would be subject to negative scrutiny. It would create significant precedents for other film projects and [would] have an impact on the credibility of the results of the film review.

Madam Minister, after reading this and reviewing it very carefully, can you tell me why, given this recommendation, how you could say that due diligence was done with regard to the funding of this Tommy Douglas story?

Hon. Ms. Beatty: — Well I'm going to make a few comments and then I'm going to have the deputy add to my response. In general these projects come from different funding sources. And as far as the Tommy Douglas film, at the time this request came in to our department, there was no legal way of providing funding to the project because we just didn't do that. It did go through scrutiny. The process, you know when you're going to establish a film or a movie, you put the concept together first. You give the storyline. And then from there you proceed in terms of getting funding resources, which is what this group did.

And you know they went to such groups as CBC [Canadian Broadcasting Corporation] and Telefilm and so on. And each of those partners — they became partners — did their own evaluation of the project and proceeded from there. And they also came, the film developers also came to our department. But like I said at that time there was no legal way of providing any funding.

But also the department did their own evaluation whether it was a good project or not and they referred it and also said that it was a good project. And with that I'm going to turn it over to the deputy minister to provide further comments.

Ms. MacLean: — Thank you. Madam Chair, the process that was undertaken . . . And I believe the briefing note that you're referring to is dated in August. And at that time a couple of things were in play. The first, as the minister has mentioned the department has no policy program framework within which to provide funds to an initiative such as that. However you will note in that note there was an alternative and it was suggested that . . . I'm sorry. I'll back up.

So the recommendation was based on an existing policy and program framework that the department has and the legislative authority to enter into that type of arrangement. At that time it was recognized that the project itself may have merit. And there was some consideration and an alternative explored around referring that to and for consideration out of the centennial funds. The budget allocation for centennial 2005 had not yet been approved and had not been brought forward. So the alternative was explored as a potential for that particular initiative.

Ms. Draude: — Can the minister or the deputy minister actually explain this due diligence process? We're talking about \$614,000 here, a major undertaking by the centennial office. And I do know that the budget from the year before went from 250,000 to \$9 million within the time span of August to . . . or from March to September of last year, which causes some concern. But at the same we have this amount of money.

The project went to the department. It was turned down obviously by the response. It looked like it could not be provided, funds could not be provided for this fund through the department. There was all kinds of reasons given for it and the implications, one of them being that it would be politically a difficult pill to swallow if it wasn't funded and it was moved to another province. So then the department suggested that the centennial office did it and they would have an investment into a single project. I still would like to know what kind of due diligence was done to ensure that this was a good use of taxpayers' money.

Ms. MacLean: — Thank you. The review was undertaken from two perspectives. One was on the analysis and the implications on the film employment tax credit, the analysis our department did around that. As well we undertook consultations with SaskFILM and were referred to Telefilm Canada that actually undertook extensive review of the project. They're one of the main funders of the project itself and their due diligence is quite comprehensive and thorough. And at the time — this would have been back in the fall; October, November — we recognized that the due diligence undertaken by Telefilm was quite extensive in terms of the financial feasibility of this particular initiative. And our focus was around the implications on the film employment tax credit and the advantages in terms from an economic and social perspective.

Ms. Draude: — Madam Minister, Telefilm's due diligence was based on the fact that they understood there was going to be money from the province. That was already the idea that was a commitment from the filmmaker when the decision, when the information went to Telefilm. So when they were doing their due diligence it was based on facts that probably they had been given. So I guess it's about a chicken and an egg scenario going on here where they're basing their due diligence on you and you're basing yours on them. And in fact what's happening is we've got taxpayers' money here that is in question in a province where we watch every dollar.

So I guess I'm hoping that the due diligence that your department is talking about is done through their own works, not on the works of somebody who has done due diligence based on your work.

Hon. Ms. Beatty: — I'll make a couple of comments and if the deputy wants to add, she can. We were the last funders of this project. And the fact is 6 million of the total budget is from outside sources. You know we provided 614,000 to the project. And also Telefilm's approval of this project was not contingent on our approval of our share.

And I also want to say that this is a good project. You know it's a story about Tommy Douglas. And we all know the work that he did in this province and for this country. But I think more importantly, it's provided all kinds of economic spinoffs and job opportunities, especially for young people who are excited about working in the film industry.

So those are the kinds of positive results because we participated in a project. And you know we don't apologize for putting money towards the production of the Tommy Douglas film.

Ms. Draude: — Madam Minister, one of the briefing notes indicated that in discussions with CEO of Minds Eye Entertainment, Kevin DeWalt indicated that in the initial development of the project he included an allocation of \$500,000 from the Government of Saskatchewan, over and above the film employment tax credit. This was included in the financial model without consultation by the department.

So I guess since it went from your department to the centennial office, this \$500,000 was included before it went anywhere else. So our concern is that if we're doing a due diligence, this should have been looked at. And this briefing note should have been handed over to the centennial office. Was it?

Hon. Ms. Beatty: — The information was shared between the two offices.

Ms. Draude: — So the centennial office was aware that Kevin DeWalt had included \$500,000 in his initial projection without having approval by either the Department of Culture, Youth and Recreation or the centennial office?

Hon. Ms. Beatty: — Yes.

Ms. Draude: — And there was due diligence done?

Hon. Ms. Beatty: — Yes. Like we've said before, it was due diligence done by more than one area, including our department officials.

Ms. Draude: — I guess due diligence is your ... The department's opinion and the minister's opinion of due diligence must differ from some taxpayers then because if this decision was made beforehand then I would, I guess I'm having a great concern.

I also would like the minister to clarify a previous statement that was made about SaskFILM's involvement in *The Tommy Douglas Story*. Ms. Martin had previously indicated that SaskFILM had no direct investment in the film. But it appears that SaskFILM provided Minds Eye with \$15,000 production loan at some point around April 2003.

I guess maybe at that time I asked the wrong question. Maybe I

should say how much did SaskFILM and/or the Department of Culture, Youth and Recreation provide to Minds Eye productions for *The Tommy Douglas Story* in loans or grants or through any other name or company that might have been used?

Hon. Ms. Beatty: — Madam Chair, there was no funds from the department and we're not aware of any dollars from SaskFILM either. And getting back to the earlier comment or question, the final decision as to the funding of the Tommy Douglas movie was not made until all due diligence was complete.

Ms. Draude: — Madam Minister, last time we asked the question if the film was on budget and we know now from the briefing notes that there was a lack of funding to the film at the beginning of the project and that was one of the reasons why your department chose to fund it. So I'm going to ask again, is this film on budget?

Hon. Ms. Beatty: — Madam Chair, you know we're not involved in the shooting of this film. We provided funds you know along with other partners. You know we're not there daily monitoring whether they're behind or not you know, but as far as we know that they are on schedule.

Ms. Draude: — Madam Minister, my previous question I'd asked about the money that SaskFILM had provided Minds Eye in around April 2003. If you want to go on-line *SaskFilm News*, summer of 2003, *The Tommy Douglas Story*, Minds Eye picture, \$15,000. This is off the Net. This is off the *SaskFilm News*. So my previous question was, was there any other money that is given to this film through any other means? Is there anything else that you wanted to add to that? I can send this over to the minister if she wants.

Hon. Ms. Beatty: — Like I said earlier, Madam Chair, we can make some inquiries but I'm not aware of any other funds. But we can follow up on that.

Ms. Draude: — I appreciate that because the minister is of course responsible for the monies that goes through her department and for the monies that goes into this film. And I think it's obvious that we would need to know, as the minister should know, about all the money that's been spent on that film.

Madam Minister, the film has an extensive public relations component. I know that your order in council made that very clear. And there were prominent NDP [New Democratic Party] New Democrats that are part of the PR [public relations] campaign, including Ed Broadbent, Premier Roy Romanow and Shirley Douglas. We asked you to provide the cost of the PR component of the project and you said you'd follow up and tell us how much money is being spent on public relations to promote the film. Can you tell me how much the individuals I mentioned are being paid to promote the film?

Hon. Ms. Beatty: — Madam Chair, the part of the deal to publicize this film was to be done through an agreement with the CBC. There was no money exchanged but that was part of the partnership they had made with the CBC from my understanding.

Ms. Draude: — So the minister may not be aware then if CBC

has agreed to pay these individuals anything?

Hon. Ms. Beatty: — No, we're not aware of that arrangement.

Ms. Draude: — Okay. Thank you, Madam Minister. I'd like to go on to the centennial program and a request again for the list of groups that applied for funding for Celebrating Community centennial grants. Can you provide us with a list as you'd indicated you were prepared to do at our last estimates?

Hon. Ms. Beatty: — Madam Chair, as I've been saying in other places, there is one more meeting with a board of trustees who are responsible for making the decisions to approve and not approve the projects. And the last meeting is taking place on May 26. And where the final appeals — there's some appeals coming in — they will be determined at that time and after that we would be more than pleased to provide that list.

Ms. Draude: — Thank you to the minister. I have a copy of a number of rejection letters from communities who had projects that they had considered to be very worthy applicants. And the last line of these letters say, please feel free to contact this person if you have any questions.

I don't see anywhere on this application where people are made aware of the fact they have a right to appeal. Can you tell me how they are made aware of this process?

Hon. Ms. Beatty: — Madam Chair, I know that there's a lot of great ideas out in the communities that are worthy of consideration, but the bottom line is that we have limited dollars to work with. And as far as the process of application, in the application form itself, there is information there as to how you appeal a denial.

Ms. Draude: — Minister, I don't have the form in front of me for the application but I know that community groups that do this, usually a volunteer will be doing this work. They may have a copy of the application process, but most of them will be getting a copy of the rejection letter. So whether they knew at one time that they could appeal, there was nothing that was formally inviting them or reminding them that this process is something they could look at again.

You go on to the website and you can see a list of the applications that have been approved. There is no list of application that have not been approved. There's nothing on there that reminds them that they're not happy if . . . that they can go back to be approved. There are groups like the war brides of Saskatchewan were refused. There are groups like . . . And many other projects that we're aware of. These are volunteer people, community people who are working hard to celebrate our centennial. I would think that the opportunity to appeal might be very enticing to some of them.

So I guess we have until the end of May I believe is what you had said for people to actually have an appeal process in. So have you . . . How many letters have you sent out reminding people that they can actually appeal the decision made by this department?

Hon. Ms. Beatty: — Madam Chair, again, you know I want to say that we don't have . . . We're not the ones that are directly

handling these project requests. The process, you know there's a board of trustees in place. But in general and in practice — you know because this is not the first time a lot of these folks have applied for funding — is that when people contact our office as far as getting a denial, they are often referred to other possible sources of revenue where they may apply. So that kind of advice is given.

And again like I say, there is no question that there is a lot of good ideas and a lot of good project proposals there. But some of them meet the criteria and some of them don't and some of them will get funding and some of them will not.

Ms. Draude: — Thank you, Madam Minister. When a program goes through a minister's office using . . . where taxpayers' dollars are involved, somebody has to take responsibility at the end of the day on how taxpayers' money is spent. So the buck stops with the minister's office. So even though somebody else might be making the decision, somebody has to be responsible and answer the questions and I guess that's you, Madam Minister.

So I'm wondering, how many applications do you have under appeal at the present time?

Hon. Ms. Beatty: — From what we know so far there is three letters of appeal. And like I said before, those letters of appeal would be going to the trustees, not directly to us.

Ms. Draude: — Three. Madam Minister, I know from my constituency alone that the number of refusals are higher than that. I know from sitting on boards myself, as do probably the minister and all my colleagues know, that when you're sitting on a board as a volunteer to think that you should phone up a department and beg, find out where you should get some more money, isn't something people have time to do. They're making a living elsewhere.

I would think that this would be the type of thing where someone would be . . . It would be obvious that excluding things like fireworks or a teepee or a wall of honour in a Legion would be excluding some of the projects that would actually broaden a community and give them an opportunity to mark the centennial.

Can you comment on the merits of this program, given that this program is the major funding program for centennial projects and there seems to be a huge number of problems with your program.

Hon. Ms. Beatty: — Madam Chair, I want to make a general comment and if the deputy wants to add to it she can. But in general I want to say that I think we have a very good process of accountability and distribution of limited dollars that we do have to work with in this province and has been in existence for a number of years.

And I really respect the process that's in place because the accountability for sure ends up with me in the minister's office. But part of the process is assisted by a group of people who, like you say, are volunteers out in the communities coming from all over the province that are credible and put a lot of work into the effort of ensuring that we are as fair as possible when it

comes to distribution of funds.

You know we have a board of trustees, you know, who have a difficult time of trying to adjudicate a process and a criteria that's there, and I appreciate the work that they are doing. And I also want to say that this is not the only source of funding for our centennial. There's others as well. And if the deputy wants to elaborate on some of those other areas.

Ms. MacLean: — Thank you, Madam Chair. I think what the minister was referring to is the Community Initiatives Fund is one pool of funds that is available for the centennial. In addition there have been since the year 2000 in the neighbourhood of \$170 million identified for the centennial, \$120 million of which was for the Centenary Fund, which was legacy and infrastructure projects.

The CIF, the Community Initiatives Fund that we're talking about is for a three-year period \$20 million and then additional program and project funds specifically targeted to the Centennial 2005 office.

Ms. Draude: — Thank you, Madam Chair. There was an enormous amount of money spent on various programs, but the program that I'm talking about right now has a relatively small budget. It's \$3 million over three years and we can compare that to the \$614,000 for the Tommy Douglas movie or the official government fireworks for \$85,000. And when you compare that to the number of towns and applications, I would wonder if the funding was adequate given the number of applications that have been rejected. Would the minister care to comment on that?

Hon. Ms. Beatty: — I think, Madam Chair, the fact of the matter is that I think that there is no question that the people of Saskatchewan are celebrating with us in our centennial, you know from small projects to more major events like the fireworks you're talking about. Even that we're trying to distribute that and make it accessible to communities, outlying communities, and not just centralize it to Regina or Saskatoon. We want to make sure that all regions of the province are part of that and you know in terms of the number of committees and events that are registered is continuously growing. And so it's a mixture and like I said, we only have limited dollars to work with and we're trying to be as fair as possible.

Ms. Draude: — Madam Minister, last year in the budget your department had allocated \$250,000 for the centennial. In the first quarter that had jumped to \$5 million and then in the supplementary estimates that number jumped to \$9.3 million. Now I'm sure that if in last year's estimates if we'd have seen \$9.3 million we would have, as the opposition, asked what your department intended to do with that amount of money.

And I've been wondering why communities had some of their projects rejected outright — projects like the community events the Saskatoon Canada Day celebrations and some of the other celebrations around the province. But instead we saw a \$250,000 estimate which was underwhelming to say the least. I would imagine that the government as a whole would know that they had intended to spend more than \$250,000 and now we've spent \$9.3 million and we can't get any answers about what money was spent where. We don't know . . . And I shouldn't

say that. What we can't get is the answers for why — which communities didn't get projects approved, how much money that was, and why certain communities were denied access to be able to celebrate this centennial in the same way this government has decided that they want to do it.

We're spending \$1.2 million on tax credits to go to support *The Tommy Douglas Story* on top of the \$614,000 that the centennial project dumped straight into the film. That would support a lot of communities that are working hard to get their families home, back to celebrate this party in our province, and it would have a lasting effect on our province. Perhaps you'd even have a few people stay and work in the province which would have been marvellous.

So can you please tell me how your department could go from \$250,000 in March to \$9.3 million by November and describe the process as having undergone due diligence.

Hon. Ms. Beatty: — Madam Chair, as we all know, there was a plan put in place. There was a preliminary budget that was submitted and then a budget finalized and we brought in the \$9 million changes to supplementary estimates in November. And this budget includes the implementation of the business plan as to how we are celebrating the centennial.

Ms. Draude: — That's the information that I just told the minister. The actual budget estimate in March of last year was \$250,000. It was not \$9.3 million. There was no opportunity after the House adjourned in June of last year for anybody to question where this business plan came from and how it jumped from \$250,000 to \$9.3 million. Nobody knew what the business plan was. Nobody knew what was on it. Nobody knew what projects were going to be approved. Nobody knew what the government was doing with this type of money.

We are talking about a centennial for the province of Saskatchewan for every taxpayer, for every citizen in this province, and this is the kind of money that's being spent without talking to the people who represent a lot of Saskatchewan. So could you please explain this due diligence?

Hon. Ms. Beatty: — Glenn Hagel is Legislative Secretary and responsible for the centennial. I'm going to ask him to get more into the detailed . . .

Mr. Hagel: — Sure, very happy to. I would like to remind the committee that the estimates, the supplementary estimate came before the committee of course in November and was approved by this committee at that time, as is standard procedure. And then the estimate that's before us now is built on that estimate which included the supplementary that this committee approved.

But I'd love to take a bit of time, if I may, just to put a framework for the centennial celebration. Because I think that's the question that the hon. member is asking, Madam Chair, about the approach to the centennial celebration from the province . . . throughout the year from the province of Saskatchewan.

The truth of the matter is that as we look at the centennial celebration it's really all about in large part celebrating our

people and our communities. And through the course of the centennial celebration we have, as we've structured the business plan for moving forward . . . and very much it's based on the report of the advisory committee that was provided to the Legislative Assembly back in 2001, and that serves as the guidelines as we've gone through the operational structures and the objectives and the plans and so on for the centennial celebrations.

And largely what the centennial . . . the advisory committee that had toured the province and then provided their recommendation for the centennial to the Assembly had said was that people of Saskatchewan wanted celebrations that involved, certainly that involved leadership from the province. They felt it was important, that it was an important event. They also said that they felt that frugality, that there should be . . . it should ought not to be ostentatious in its budget. And they also said that it was very important to include . . . that it be a centennial that includes people.

And so very much it's become the operating objective of the centennial that it will provide opportunity for all people in all communities in all corners of the province to have a chance — not just once or twice but hopefully many times for each individual — to reflect on this place, the Saskatchewan that we love and we celebrate in our 100th anniversary as we look back with a sense of pride and accomplishment, but also as we look ahead with a sense of confidence and optimism. And so it is with that in mind that a number of things have been put in place, including the complimentary materials that are available to organizations that are having a centennial celebration.

Back in January 1 when we kicked off the centennial year, at that time there were what was considered to be I think by a large number of people, to be a large number of events that were already registered on the centennial website. There was 1,100 events registered at that time. Since that time until today, the most recent number is in excess of 2,400 events which are registered on the centennial website. And the centennial office supports each and every one of those in two ways.

One, through the centennial website, they're able to communicate to anybody who is inquiring about what may be going on in a community that they're interested in, for example. But also there is complementary promotional material that is available to them without charge to dress up their centennial event. And that's combined with the support of the homecoming program through Tourism Saskatchewan that enabled communities to put together information to send out to invite expatriates from their communities back as part of that support for communities having their own celebrations. I'm pleased to say that in Saskatchewan over 150 communities are going to be having homecomings in the course of our centennial year.

And so the enthusiasm is alive and well. There are a host of other events that have already been announced in support of the centennial that are pretty comprehensive when you put them all together and are intended to touch all Saskatchewan people in all ways.

Just the most recent two, if I might, I don't want to take too long here, but I know it would take forever to go through all the

stuff that's happening to support communities across the province. But just within the course of the last 30 hours or so, an announcement of support for Saskatchewan businesses who want to, have been in touch with the centennial office and have wanted to have a way to show their pride in Saskatchewan centennial year. That was announced yesterday, a program there that provides complimentary materials to businesses.

And secondly, today, just this morning I should say, with Weyerhaeuser Saskatchewan as a partner, it was announced that school children in the '05-06 school year will all receive a tree to plant as they see fit in celebration of the centennial. So there will be a whole host of other activities. I'm happy to expand on any of those if the committee wishes, Madam Chair.

And I think I would say that this is a good year for Saskatchewan. There is a good mood out and about. I say with unfettered enthusiasm, I think I've got the best job in all of Saskatchewan because it's my responsibility — and just because it's a responsibility doesn't mean it can't be fun — to be in touch with the sense of community celebration all across the province of Saskatchewan including many, many communities. And that's really the strength of the Saskatchewan celebration.

Ms. Draude: — Thank you to the member that's in charge of the centennial program. And I don't think there's one person in the province who isn't happy that we're having a centennial celebration, a birthday party.

My question is and my concern is making sure that all communities could have the same involvement. And I know we're talking about a number . . . the heritage recognition program is a very small amount of money. The homecoming is \$250,000. We have a large number of communities who were rejected. And it will be interesting at the end of May when we see the list of communities who weren't on the list of priorities. But maybe the minister can tell me how many applications were received for this program.

Mr. Hagel: — For the celebrating communities?

Ms. Draude: — No, not the . . . Yes, the celebrating communities. Yes.

Hon. Ms. Beatty: — Can you repeat the question? Is it how many were approved?

Ms. Draude: — How many applications are received for celebrating communities?

Hon. Ms. Beatty: — The information, Madam Chair, the information that we have is 628.

The Chair: — Mr. Merriman.

Mr. Merriman: — Thank you. In discussions regarding this board that's making this decision, how many members are on that board?

Hon. Ms. Beatty: — Madam Chair, there are eight board members.

Mr. Merriman: — Thank you. Could we get a list of the names of those board members at your earliest convenience, please?

Hon. Ms. Beatty: — Yes.

Mr. Merriman: — Thank you. Are these board members paid?

Hon. Ms. Beatty: — Madam Chair, they get a nominal honorarium and some expenses as well.

Mr. Merriman: — Can you define that please, in exact numbers?

Hon. Ms. Beatty: — We can provide that.

Mr. Merriman: — Thank you. You know, with all the questions that we've been asking regarding this board and if they're receiving an honorarium, it would have been nice if we had somebody here that could have answered the questions from the board regarding the number of projects that there were and how many have been rejected. But we look forward to receiving that information at the end of May. And I'll turn it back to my colleague.

Ms. Draude: — Thank you, Madam Minister.

The Chair: — Ms. Draude.

Ms. Draude: — Thank you, Madam Chair. Madam Minister, I'd like to go to the Archives Board for I have a couple of questions. I understand there's a plan underway to renovate the Hillsdale Street location of the Saskatchewan Archives. Can the minister outline the proposed cost to the renovations and the reason they're being undertaken?

Hon. Ms. Beatty: — I'm going to ask Don Herperger, director of government records branch, Saskatchewan Archives to respond to that.

Mr. Herperger: — Madam Chair, the renovation costs are strictly an estimate at present. We assume that it would be a high estimate, and we're still in the stage of having a consultant appointed by SPM [Saskatchewan Property Management] go through the proposal and come up with a more precise amount. The amount that we were given as an upper end cost for the renovations was \$120,000.

I'm sorry, did you ask the purpose of the renovations? Back in 1999, a strategic plan was done for the Saskatchewan Archives Board. And one of the reasons the strategic plan was developed was archives is a physical entity that continues to grow. And so it was felt that it would be a benefit in order to have some sense of what type of growth was anticipated, how the archives saw itself developing over the next 5 years and 15 and 25 years.

So a group of well-known archivists from across the country were assembled under Mike Swift, a former assistant head of the National Archives of Canada. And they conducted surveys in the province and provided us with some recommendations from which our strategic plan was developed.

And in the strategic plan, the recommendation for

accommodation, in terms of our Regina site, was that if the idea of one office that would hold all functions of the archives was not practical, that we should at least look at split facility in which we would have a headquarters building that would house administration and our public services, such as reference to the public, and that we would have another facility that would be there with its primary focus on housing the records of the archives and trying to ensure that they were going to be capable of withstanding deterioration over the next number of decades.

And so what this is, is one of the steps in the process to coming up to that split facility. What we're doing is we're renovating the site at Hillsdale. We moved in there in 1983. This is the first time any renovations have been done to that site. We're renovating that site so that we can bring our people who deal with information management and appraisal into that site because they're currently at a third site. And what we want to do is to continue with our renovations of an archival records centre which would be that other facility and to bring our records, which are currently in two warehouses, plus our archival records staff into that facility. So this is one of the steps along the route to that.

Ms. Draude: — Given that the Archives is in charge of record management for the government and the disposal of records, can the minister indicate what steps have been taken to ensure that the freedom of information requests and privacy concerns are being dealt with, with disposal and the management of records.

Hon. Ms. Beatty: — Madam Chair, each department has been assigned a privacy officer, and part of their responsibility will be to determine the adequate disposal of records or material.

Ms. Draude: — Thank you, Madam Minister. When we talked about personnel last time, I don't remember you indicating that there was somebody in charge of privacy. Is this person doing just privacy records in your department?

Hon. Ms. Beatty: — Madam Chair, in fact I guess the person responsible is the deputy minister of Culture, Youth and Recreation, and she works with senior officials in the various departments, but it's not a specific paid position per se.

Ms. Draude: — Thank you. Madam Minister, I see that the time is getting close to 5 o'clock, and there was a number of questions that I wanted to have answered, and my colleague from Cypress Hills would like to ask questions. So I'm going to just ask a number of questions and request that the minister get the answers back to me in writing if possible.

The first one is, do the Heritage Foundation . . . We realize that there's no specific allocation for the Heritage Foundation in the budget. And can the minister tell us how much money they received in the budget and outline the number of projects that were supported by the Heritage Foundation over the past year, particularly any of those that relate to the centennial.

And under SCN, I was wondering if the minister can explain why there was a cut to the funding of the SCN and the effect that it'll have on the programming.

And the third and last question is surrounding museums, not

necessarily the museums in the smaller centres. Can you tell us how much money was spent on museum projects? Is the ongoing funding been provided compared over the last couple of years, and if there was again anything specific for the centennial.

And I will turn it over to the member from Cypress, and thank the minister and her officials.

The Chair: — Mr. Elhard.

Mr. Elhard: — Thank you, Madam Chair. I have a few questions pertaining to the relationship between the Royal Saskatchewan Museum and the T.rex Discovery Centre in the community of Eastend. As you no doubt are aware, the RSM [Royal Saskatchewan Museum] has rented space at the T.rex Centre in Eastend over the last number of years. They've had a long and reasonably successful working arrangement in that the local facility in Eastend . . . was able to provide not just space for the RSM personnel, but also provided an opportunity to focus the attention of visitors on the kind of good work that paleontologists and other staff people associated with RSM do in the community.

Unfortunately it seems that of late the museum is either unable or unwilling to pay for the space that they use in the T.rex Centre. I'm not sure if their budget has been cut or what the problem is exactly. But their space allotment has increased, and yet their financial contribution to the T.rex Centre has decreased. That has left the facility in some financial difficulty.

When you add to that the fact that funding from SaskEnergy has been reduced over the last five years from \$60,000 a year to I believe a total of \$5,000 this year, there's no way facilities of these types can survive with funding that is so completely unreliable.

So would the minister please indicate for me what the intentions of her department might be in relation to the funding crisis that faces the T.rex Centre brought on by the inappropriate amount of money that the RSM pays to the T.rex Centre?

Hon. Ms. Beatty: — Madam Chair, I'm going to make a general comment and then I'm going to have the deputy also make a comment. I just want to you know say that I've had the chance to visit that facility and it's very impressive. And I know the kind of work that they are doing and also appreciate the kind of working relationship that's also been there in the past few years. And I also want to say that we are committed to continue to work you know with the folks from there. And then I'm going to turn it over now to the deputy to make further comments.

Ms. MacLean: — Okay thank you. Madam Chair, for the fiscal year '05-06, the money that's been allocated by the Royal Saskatchewan Museum is not any less to the T.rex Centre as it was last year. So we're maintaining our annual funds of \$20,000 to the T.rex Centre as well as locating two of the full-time staff at the centre.

We've had an opportunity . . . Understanding the financial pressure that the board is under, we've had an opportunity to meet with the board Chair. And we're exploring alternatives for

revenue, as well as I'm pursuing other avenues internal to government, recognizing the value of this particular site and the facility.

Mr. Elhard: — I think the dollar amount received from the RSM is static from previous years. But the fact is that the RSM has assumed more space in the facility than they previously had. And the fact also remains that the value of the space is substantially below what would ordinarily be deemed, even in that area, less than commercial value. And so frankly the T.rex Centre and their board are subsidizing the activities of the RSM in the Eastend T.rex Centre. So given that fact it makes it very difficult for the board to look, you know look on that arrangement as anything less than satisfactory.

So, Madam Minister, I'll address the question to you and you can ask your deputy to answer if you wish. But in view of the fact that you're aware of these pressures and that these ongoing financial pressures impact the viability, long-term viability, what specific measures do you anticipate that you will participate in to help achieve the financial viability that that centre needs? You alluded to some additional work with tourism and so forth, but can you be more specific?

Hon. Ms. Beatty: — Madam Chair, I just want to comment again how much we appreciate you know the work that's going on there. And I think you know to be fair, I think the benefits have been mutual, you know by having our staff there and also students providing digs hands-on experience to a lot of the students that visit that site. So I think that the partnership is mutual and we recognize that. I think everyone recognizes that. And our department is committed to explore other sources of revenue to ensure that that facility continues on. And if the deputy wants to make further comments she can.

Ms. MacLean: — Maybe I'll just add that we've got . . . We're exploring some options internally in terms of reallocating funds as well as then going looking at a couple of other departments to see if can look at it from a tourism perspective, as well as economic development.

Mr. Elhard: — When you say reallocating funds, are you talking about funding for programs within your department at this point? I don't think anybody would, you know I don't think anybody wants grants. You know I think that that's . . . knowing the mentality and the attitude of the people of my constituency, the last thing they want is a grant.

But they do want an opportunity to solve this problem and they need it relatively quickly because we're into the heart of the tourism season right soon. And you know certainly if tourism numbers escalate to some extent, that will take some of the pressure off. But there's no assurance of that because of the marketing program that you have talked about.

And so we know there are shortcomings and we know there are difficulties. But I think what they need is an energetic response to address those shortcomings and to see if in a co-operative effort the financial viability of that place cannot be established for the long-term as opposed to worrying about their success and viability on a month-to-month basis or a year-to-year basis.

Can I take from your comments today that you will be in touch

with them in the very near future to work with them on these solutions?

Hon. Ms. Beatty: — Madam Chair, like I said before, we are committed to working with them you know and develop . . . work with them in developing a long-term, sustainable plan.

Mr. Elhard: — May I have an indication of timeliness?

Hon. Ms. Beatty: — Well the deputy says the next few weeks.

Mr. Elhard: — I'll take the deputy at her word. Thank you very much.

The Chair: — Being as it's past 5 o'clock, this committee now stands adjourned.

[The committee adjourned at 17:03.]