



STANDING COMMITTEE ON HUMAN SERVICES

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**STANDING COMMITTEE ON HUMAN SERVICES
2007**

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Saskatoon Eastview

Mr. Wayne Elhard, Deputy Chair
Cypress Hills

Mr. Lon Borgerson
Saskatchewan Rivers

Ms. Joanne Crofford
Regina Rosemont

Mr. Peter Prebble
Saskatoon Greystone

Mr. Don Toth
Moosomin

Mr. Milton Wakefield
Lloydminster

[The committee met in camera at 17:17.]

[The committee recessed for a period of time.]

**General Revenue Fund
Learning
Vote 5**

Subvote (LR01)

The Chair: — Okay. Good evening. The first item in front of the Committee on Human Services is consideration of the estimates for Learning, vote 5 on page 117 of your budget book. Good evening to the minister and her officials. If you want to introduce them all and if you have an opening statement, please do so or give it now.

Hon. Ms. Higgins: — Thank you very much, Madam Chair, and members of the committee. Joining me this evening at the committee is, to my right, Wynne Young, deputy minister of Learning. To my left is Dr. Helen Horsman, assistant deputy minister of Learning.

And sitting behind us in one spot or another, and I'm sure we will be shifting around as need arises with questions that are asked: Ms. Karen Allen, executive director, corporate services; Mr. Dave Tulloch, director, budget unit; Ms. Lois Zelmer, executive director, early learning and child care; Ms. Valerie Lusk, executive director, education finance and facilities; and Ms. Rosanne Glass, executive director, policy and evaluation; Ms. Margaret Ball, director, facilities; Mr. David Barnard, Teachers' Superannuation Commission; Ms. Mana . . . oh darn — sorry, Mana. Mana Chinichian. Sorry. I practised that all afternoon too, and I was doing very well in my office, but . . . Mana is M.P.A. [Master of Public Administration] intern in the deputy minister's office.

Madam Chair, I didn't prepare any opening remarks. I'm sure there will be a fair number of questions and being our time is limited this evening, I thought we could go right into questions.

The Chair: — Certainly. Mr. Gantefer.

Mr. Gantefer: — Thank you very much, Madam Chairman. And to the minister and all the officials this evening, welcome. And we certainly appreciate you being here and being available to answer questions posed arising out of the estimates.

I would like to take this opportunity, if I could, to set the tone a bit for our direction tonight. As you know, Madam Minister, a great many school boards are going through the agonizing decision-making process about the future of schools in their jurisdictions as we speak. And I believe that, perhaps even beginning this evening, decisions are being made in the province. And certainly over the next two or three or four weeks, as required by The Education Act, school boards are going to have to grapple with this difficult decision for all of them. And a good number of our members wanted to touch base with you in terms of this general issue and I wanted to certainly give them the opportunity to do that.

And following that I would like to take some available time to

discuss some of the foundation operating grant work. I have my document that you pointed me to, duly earmarked and noted in terms of the funding manual that there are some issues that I want to explore and detail and highlight.

And finally hoping that we have some time, there have been some issues that have been raised by Mr. Kirk Kelln in regard to the, from his perspective I guess, the disparity of opportunity between girls and boys and the ability of the school system to react to those realities. And I wanted to perhaps give voice to some of those concerns that he has communicated, I know, to yourself and to the department and to myself as well.

So in order to facilitate that process this evening, I would like to offer up to one of our members who are here tonight to ask those specific questions.

The Chair: — Mr. Brkich.

Mr. Brkich: — Thank you, Madam Chairman, and I welcome the minister here today. Dealing with the school closures, I was talking with one of the chairpersons that were on the Save Our Schools committees and they asked me to ask a couple of questions to start off with.

One of them was, what percentage of the board has to vote to close a school? Is it a full 100 per cent or is it only 50? And the other question dealing with that is, if they ask for a recorded vote, does the board have to provide it?

Hon. Ms. Higgins: — Thank you very much. It would depend on the type of governance that the board uses. Now if there is a vote held it would depend on a majority of those voting and votes would be kept track of and it would be recorded in the minutes. Some boards operate on consensus so there would not be a vote and it wouldn't be recorded; it would be the consensus decision of the board. So it depends on the type of governance used by the board.

Mr. Brkich: — That's entirely up to the board, then, to make that decision then. That doesn't come from Learning department?

Hon. Ms. Higgins: — No. That would be the board's decision.

Mr. Brkich: — Okay. Thank you for that answer. One of the other points that they wanted me to point out, and they'd asked your officials to come to a meeting. Basically their concern was at that time was some questions that the local board just couldn't answer. They kept saying, well that's government. You know whether the funding, the FOG [foundation operating grant], budget, different things.

And I was disappointed that you didn't. I know that you're busy, that you couldn't make, you know, meetings throughout the province. But if a representative could have come from the Learning department to answer a lot of the questions that were raised. And I was at the meetings and there were a lot of questions that were raised that could have been answered at the board or could have been answered at Learning level, department, that the board couldn't answer and that I'm asking now in committee because they've asked me to bring — or that

we've had to do in written questions to you.

They also are going to be having a meeting. This is the one from Imperial Save Our Schools. They would like to have a meeting with a representative because there is some questions that they want to be asked that deal with, at your level not the board's level. And the board has told them, you know, that's out of their prerogative to answer them or, you know, maybe some of them deal with policy, different questions. So I'll ask you now. They will be in contact with you, either to you directly or through me, to set up some kind of a meeting. They would like to sit down with you and raise some concerns about the board. Would you be willing or your department to meet with them?

Hon. Ms. Higgins: — There has been a number of requests over this, especially over this past period of time to be at a variety of meetings. And for many people, they felt that we have the ability to override what the school board's decision is or is going to be or the consideration that the school board was putting forward for the various services in their division.

The school boards are autonomous, and they have clearly defined roles within the legislation. If there is a request for a meeting — we've had a number over the past while; there have been some when schedule allowed that I have been at — we would not have a problem having a representative there. But it would also have to be in conjunction with the school board, being it's their authority within the division.

It would be no different that if someone was trying to work around a rural municipality. They're duly elected in their area and have set responsibilities. So it would just be the appropriate thing to do that it would be in conjunction with, not separate from. So that's not a problem.

Mr. Brkich: — Thank you. Yes. I don't think it is with them either. They just want to . . . Well there was questions, and I was at the meetings where the board just said that, we can't answer that; that's up to the Learning department to answer some of the questions. And they were legit questions. So that was the concern. I don't think they expect you to turn it over on the snap of a finger.

But there was some questions out there. They want to be able to explore all the options because you're dealing with a community that's going to be closing a school. As you know, that's very hard on a community. So they want all the answers. They want everything open. They wanted all the information in front of them is all they're asking.

So I will pass this on to them and hopefully we can set up something. And they're willing even to come up here, or if the board . . . And I'm hoping the board will be open to sitting in on that. I don't think they have a problem with the board sitting in on the meeting at that.

Like one of the concerns that was raised has just come up this week. As you're aware, with Highway 15 flooding that highway shut down. I was there this morning, and both grids on either side are shut down. So if they close Imperial School and they're having to move to maybe Nokomis or Drake, you'd be looking at close to 300-mile detour for the students just the way that

particular area is affected with Long Lake.

And with the two grids being washed out basically as of this morning, anybody looking there if they want to go to Highway 20, they basically have to go to either 11 or 16. And you're looking at a 300-mile detour. So if you had kids, you just wouldn't be able to bus them. I mean you'd be shutting the school down, or them kids wouldn't be able to go to school for however long that area is shut down. So that was a concern that was raised today with that — if, you know, Imperial is shut down — because it can be isolated on that line.

And also when, you know, I went to the first meetings, they were looking at, the board was saying they were going to have a deficit. Now they're looking at a projection of a 2.4 surplus, and the people in the area are saying, well now what's the change in that? So those are some of the questions and concerns that are being raised there.

You know, they've tried again to meet with the board over that. They had a meeting, what they call a delegation day. It was with the board. And the board said finally, yes, we're looking at 2.4 surplus. And when I was at the meetings, they said they were looking at a deficit. So that, I think, that are some of the concerns that are going to be coming up.

And I guess one of the questions I'm going to point out, or ask a question now with some of the statements that I made. I know some of the stuff I didn't expect an answer on before. Some of the school divisions that came in were from bigger school divisions. They had a bigger deficit than the smaller school divisions, smaller schools, when they were amalgamated. So I guess their question is, in their scenario, in their area, anything that had a bigger school basically ran a bigger deficit. On the smaller, it would be a smaller division. But it was bigger schools were running a bigger deficit than the small schools.

So her question would be, from the committee, would be like where are the savings if you're going to bigger? If you keep going to bigger, and they're scared that . . . And I know I've did a written question that the scenario out there is like bigger schools, they feel that they're just going to run maybe Watrous and Humboldt and Lanigan out there. And yet them schools are basically running a bigger deficit than the smaller schools are right now.

Hon. Ms. Higgins: — Well I'm kind of mulling over your comments, and I'm not sure if you could say that bigger schools, bigger deficit; smaller schools, less or smaller deficits. I don't know whether you could just make that as a blanket statement right across. School divisions have varying expenditures at different times, whether it's capital cost, whether it's improvements in any number of areas. So it could have been at the point in time when the amalgamation came forward in school divisions. So it's hard to deal with your comments overall and in a general way.

If there's something specific that you want to ask, we will look at the details of that, but it's pretty hard to give you a response in just kind of an overall. But I would say that's a pretty general statement to make, and I don't believe it would be totally accurate in every case when you look at the divisions right across.

Mr. Brkich: — And it very well might be, might not be. And that was some of the questions that you might be able to answer when you sat down with them. Like Sask Central Division, which is very small division, only had a 5,500 deficit and Lanigan had a \$800,000 deficit.

Hon. Ms. Higgins: — Can I just ask for a clarification? This is all in Horizon?

Mr. Brkich: — Yes. Now, yes.

Hon. Ms. Higgins: — It's now Horizon. Okay. Sorry, go ahead.

Mr. Brkich: — And so that's just one point I was making there. But when she was going through the whole Horizon Division, it turned out that that's the way it was — the smaller schools, smaller divisions were all running less deficits. Now that could be just in Horizon. But they were breaking it down school by school, and so they have that in front of them of how smaller schools were running less of a deficit. Now that may be true maybe only in Horizon's.

Hon. Ms. Higgins: — Well it's hard to say. And when you talk about saving money, the whole concept behind this is to have regional pooling of the resources that were there — not only just financial resources but also the resources within the education system itself — so that there was equity amongst the opportunities, equity in the education that was provided right across the regions.

And right from the beginning, I don't recall anyone ever saying this is going to put dollars in our jeans, that the whole intent was, is to provide that opportunity for students — to make sure that the opportunity were there for students, that the opportunities were available right across the division, not just in divisions that may have a higher level of wealth or access to a wealthier property tax base than other divisions that may not have that access. The regional pooling and the equity was truly the driver behind the amalgamation.

Mr. Brkich: — And unfortunately it just seems like they're run at a bigger deficit when they amalgamated, or on the bigger end. One question I will ask you, is Humboldt or has Horizon applied for capital funding for a new school to be built in Humboldt?

Hon. Ms. Higgins: — They currently are on the capital list, on the B list for shortage of space.

Mr. Brkich: — Is that going to be strictly public? Because that school there, I think, is separate and public.

Hon. Ms. Higgins: — They have a unique situation in Humboldt and have an agreement that's in place for the operation of the school. My understanding is currently there is discussions on the agreement. And hopefully by the end of this year, they will have a new agreement in place to continue. It's worked very well. And my understanding from all of the comments that I've heard is that people in Humboldt view it as the school — not separate, not public — but as the school, that the agreement has worked well. And hopefully we can continue down that path.

Mr. Brkich: — And so have I. I've heard that too. And I think from what I hear from Humboldt is, yes, they don't want any change. But there's also a rumour — and hopefully it's just a rumour — coming out that Horizon School Division is just looking to set up a public one and cutting the separate out. Have they applied or made any indication to you that they would do that?

Hon. Ms. Higgins: — No. Currently both parties are sitting down and discussing and heading in the direction of a new agreement.

Mr. Brkich: — Well thank you.

Hon. Ms. Higgins: — And I must say that's something that we would encourage because it has been successful over the last number of years.

Mr. Brkich: — And I think so would I. Humboldt isn't in my area, but there is some people that are close to it, and I hope that they come to agreement. With that, I guess, just more of the comments I've made, but I'm hoping that, I know that that group, which just isn't the one school. It's the four schools in my . . . or six schools in Horizon are working together, I think. And they . . . [inaudible] . . . made a presentation to the board. Like they're not getting into that my community, your community fight which is good. And I'm hoping that you will meet with the representatives because I think there will be just not the one school; it will be from all six. And they have some good concerns and some good questions that they would like to sit down and talk to your department about. So I'm hoping that in the next week or 10 days we can set something up. It'll either be through me, or they may just contact you.

But I know tomorrow I'm going to be sending the *Hansard* to them. They were quite interested in that. So with that, I thank you. I'll turn that over to I guess my other colleagues. They probably got lots of other questions too.

The Chair: — Thank you very much. Mr. Toth.

Mr. Toth: — Thank you, Madam Chair, Madam Minister. Madam Minister, one of the things I'd first like to get a clear understanding is on the foundational grant. What's the grant per student that goes out, basically that should be available to each school division for each student that they have in their division? And I realize — I've chatted with my colleague about it too — there's different formulas. But there's got to be a number that you start from, a basic number that is available to each division per student.

Hon. Ms. Higgins: — Last year it was \$5,722. And this year it's on increase of \$646. It's \$6,426. I'd like to say something. An increase, also some changes within the foundation operating grant and some increases.

Mr. Toth: — So \$6,426 per student that each board receives, physically receives per student.

Hon. Ms. Higgins: — Well not exactly. It will depend on . . .

Mr. Toth: — Okay. Can you . . .

Hon. Ms. Higgins: — The foundation operating grant . . . Now I know why we're here for two and a half hours. The foundation operating grant works on a pretty simple formula. It's A minus B equal C — A being the recognized expenses of the school division; B being the own-source revenues which would be through assessment, the resources or revenues that are available through assessment. So A minus B equal C.

So in the calculations of how much money would go to the school division, the basic rate would be taken into consideration plus the other factors within the foundation operating grant. But then you would use the basic formula of recognized expenditures minus recognized revenues, and the difference would be the foundation operating grant.

Mr. Toth: — So if I understand you correctly, Madam Minister, the divisions that have the ability to generate more revenue receive less foundational operating grant.

Hon. Ms. Higgins: — Exactly.

Mr. Toth: — What would be the average grant per se school divisions in the southeast corner of the province? I'll use South East Cornerstone and Prairie Valley because they pretty well cover what we consider southeast.

Hon. Ms. Higgins: — Did you say — sorry, Mr. Toth — South East Cornerstone?

Mr. Toth: — Correct.

Hon. Ms. Higgins: — The '07-08 grant would \$5,453,538. And what was the other one you asked?

Mr. Toth: — Prairie Valley.

Hon. Ms. Higgins: — Prairie Valley would be 18,037,491.

Mr. Toth: — Could you repeat that for the South East Cornerstone please?

Hon. Ms. Higgins: — 5,453,538.

Mr. Toth: — So can you give me an idea what that works out to per student?

Hon. Ms. Higgins: — Yes we can. Average per pupil assessment will range right across the province from a high in Chinook of 436,592 to a low of Ile-a-la-Crosse School Division which 32,551. When you are looking at . . . This is average assessment per pupil. That's what this is, okay. When you're looking at . . . You asked Prairie South, South East Cornerstone — sorry — is 394,281 is the average assessment per pupil. You're looking for, you're not looking for assessment. You're looking for a grant.

Mr. Toth: — I'm looking for actual grant per student rate.

Hon. Ms. Higgins: — You had to ask the one number that I'm having trouble finding.

On South East Cornerstone the average, the grant per student would be \$696. The average tax revenue per student is \$8,169.

Now the provincial averages, do you want the provincial average? And we'll get you Prairie Valley. The provincial average for tax revenue per student is \$4,947. And the provincial average grant per student is \$3,411.

Mr. Toth: — Madam Minister, I guess that's where the . . . or maybe I should wait until you . . . do you have Prairie Valley?

Hon. Ms. Higgins: — Prairie Valley grant would be 2,344. And I don't have the revenue average.

Mr. Toth: — Well that's why I think, Madam Minister, I think that's the issue that a lot of people are really grappling with because as you mentioned, the average FOG grant is 6,426. Southeast Cornerstone at 696 is obviously way below that average. And prairie region is not . . . well it's less than half. So that means that those two divisions — and I know there are other divisions facing the same dilemma — have been going to the tax base for the majority of their funding.

And yet when it comes to school closures, the local community, the local taxpayer, the local parent has really been having a difficult time in getting clear answers and understanding and asking the question, if we're putting in most of the money, we should at least have some direct say into whether our schools remain open or not.

And I will add this, that I think both Prairie Valley and South East Cornerstone, from what I've observed in the public meetings they had . . . And I want to first of all commend the communities because each one of the communities whereas in times past went to these public meetings with guns blazing, if you will, swords drawn and ready for a fight.

This last time around people took the time to sit down, and they looked at their school, and they said okay, what can we sit down with and point out to these division boards that this school or our school, this is what we can offer; this is what we have been offering; here's the pluses as to why our school should not face closure at this time. And in that regard, I think they put, each one of the schools has put some very positive ideas forward.

In fact in the local paper today, I was just reading on the weekend the Maryfield School is moving forward with an initiative to create an English-only language basic in their school, which may open the door for students who are immigrating to this country and may be establishing in the Maryfield area. They're also . . . They have been well known for their curling expertise, their junior curling through the years, so that's another program they're looking at offering. And we've seen that work in other parts of the province.

But what has been forced to take place is the ingenuity of local people, but at the same time they're still at the whims of division boards in regards to whether the schools remain open or not.

And one of the biggest arguments we hear is . . . And most recently I've noticed in all of my local papers, while we've argued about the fact that we're doing this review, looking at whether or not some of these smaller schools can continue to operate . . . And actually if you went, if we moved you to a

larger school we'd be able to offer more services. And you just talked about opportunities to provide more services for students by the larger schools. And yet in some of my larger schools, we've had reductions in staffing. And the argument is, based on the formula, we have too many staff in our schools while at the same time the office structure continues to grow because, based on the formula, we do not have a large enough office staff.

And this is what's angering a lot of, a lot of the taxpayers in my area. And while they've tried to put forward some sound ideas as to why they should remain open — and I guess time will tell; we'll have to wait for the final decision — I think in some cases they've already . . . indications have been given that they will work with some of the schools yet for at least another year or two, which I think is positive.

But it just seems to me . . . And I'm not sure, Madam Minister, whether this is something that the department is really aware of and where we're going. I think we can look at some of these offices and how big they've become versus what they were when they amalgamated, that people have some very legitimate arguments as to why, why would they be facing the debate over school closure when we have \$6,400 average per student grant? That would go a long ways to keep a lot of schools open.

Hon. Ms. Higgins: — Well this formula has been in place for a long time. I mean . . . and with the intent of providing equity amongst the divisions. Previously South East Cornerstone, many portions of it were zero grant boards which received no funding at all from the provincial government, just by the pure fact of the access to revenue through the property tax base that they had with the wealth and the resources in that corner of the province. So it's not new. I mean, this isn't new — the formula or the distribution of how it's laid out.

And one thing I would say to you for sure is that the communities do have a say. Boards of education are duly elected. Those folks run for election on the board. And I mean, I have heard comments this past little while about people saying, well it's something we never really paid that much attention to. But they are duly elected.

They do represent the communities that they come from. And they bring with them, the same as we do to the legislature, the views of our communities and the background we have in our lives. We bring with us to the legislature the same as school board members bring their experience and their background with them onto the boards of education. So the communities do have a say.

And I mean we all believe in democracy, and we believe in the system that we have in this country, and school boards are under that system and follow it. So people do have a say in what happens. Maybe people will take more notice when there is an election, a school board election. But they have, and will have, continue to have a say in what happens.

There is no formula for office staff, so I'm not sure when you referred to the department or the formula for office staff. I know when the amalgamations first took place, everyone knew that there was a number of positions that would be redundant, and there would be some overlap in the new division offices for a period of time until that was all sorted out. There was extra

funding that was provided.

And I know for a while that there were some fairly large numbers, larger than what we would be used to for sure in many of the division offices. But I think if you will look at the numbers that are there now, that has changed and sifted down to a more manageable level for sure.

I know there's a couple that I've looked at and been looking at, websites over the past number of months, just to check and see what's changed, what information is up there, especially with all the reviews going on. Most of the divisions have a fairly extensive body of information on their websites, and I'm sure many parents and many communities have accessed it. But there is no definite formula that comes out of the Department of Learning as to what you should have and shouldn't have in your office.

But I think what you will find is that part of the whole concept behind amalgamation and providing that broader source of services to the division, you may find more specialists, whether it's speech pathology, whether it's therapists along that line, that may be based in the office.

So what the jobs are, I think, makes a difference. But I think if you look from initial amalgamation to the numbers that are there now, you will see that it's a more appropriate number.

Mr. Toth: — Well thank you, Madam Minister. And in regards to formulas, I'm going by hearsay as well in regard . . . I know that the grant structure is based on a formula. And the issue regarding office staff, I'm not exactly sure where all that came from. But I do know that we have seen some major increases.

And one of the issues — you're right — local people get to have a say in who their representative is. But just the way the two different divisions are aligned, their physical structure, the reality is the board members on the east in both divisions don't necessarily have the same impact at the table because when the votes come down, they've been on the short end of the stick on some of the issues they've been debating. And that's just the way the geography works. So creating the larger school division has in some ways not made it as easy to be as, if you will, as vocal for some of the interests that you represent or the schools you represent.

The other issue regarding the larger school divisions is the amount of travel now. Yes, you mentioned, Madam Minister, specialists that are duly working out of these offices. They do have to travel to schools. And as they're travelling that becomes . . . that's another expenditure that boards have to deal with. And I know one of the issues that was raised in one of the schools I was in was the . . . when they were asking, well why would their school be on the review with the number of students they have? The fact that they've got a good record, their students are well-recognized, they have really done well in post-secondary education, have gone on . . .

And I'm not exactly sure where it came from but the comment came from somebody, yes, but you don't use all our services. So the comment was, well what services? Well we've got psychiatrists. We've got psychologists on our . . . and you don't call for them. And the one teacher said, well now wouldn't you

be glad that we're not calling for them, that we don't have those types of problems in our schools? And it kind of floored the staff when that comment was made.

Yes, there's more services. But some of these services don't necessarily impact the three R's. And that's what most people are looking for — the fact that their students are getting the basics. And then if there's additional programming available that you can work with without putting them in a financial burden, then they're more than prepared to accept that. But with the amount of some of the programming that is offered, you sometimes question where we are actually headed in education. And those are the issues I think, Madam Minister, that the taxpayer are grappling with.

And when I look at that six ninety-six figure for South East Cornerstone, that basically tells me that each one of those school divisions . . . In many cases locally I know they've looked at just the grant that they were paying from the property tax, they could run their school and actually have two or three more staff right in their school. They could even physically run the plant. Those numbers just aren't realistic and that's why you . . . Even the Save Our Schools committee, when they were out here, raised that issue. I think you had a question to us that you . . . Why don't you just let us use our own tax dollars to run our own schools?

Hon. Ms. Higgins: — Well the problem is when we go back a couple of years and when we were into voluntary amalgamation, it worked, and there was a number of divisions that did amalgamate at that period of time. We dropped, I think, from just over 100 down — or it could be around 90-some — down to around the, well, the 82 that we went into with the initial amalgamation this time. And that's fine because the divisions that have similar services, similar resources, similar revenues within their school divisions, would merge with each other.

But there's still the areas within the province — and some were fairly close to the wealthier divisions that had the higher revenues at their disposal — that aren't going to take on some of the smaller divisions that may not be sitting in such a good position.

And I guess we still operate under the theory that . . . I mean we are one province, and we need to maintain opportunities right across the board for all of the students, not just the ones that by chance may live in a more commercialized area or whether there's more industry within that area. There needs to be equal opportunity right across the piece, and that was the theory behind moving towards the amalgamation, the map being drawn, and the divisions set up the way they were with trying to hit that average number and have at least 5,000 students in each division.

Mr. Toth: — Well thank you, Madam Minister. I know a number of my colleagues also have some issues they want to deal with, and so I'll certainly be revisiting some of the responses to questions I've had. And as I get into further debate and as we move down the road, we'll just re-examine where we're at and whether or not we've actually improved the whole program or we've just created another administrative process versus forgetting about our students. Thank you.

Hon. Ms. Higgins: — Can I just say something to add to one of the questions you'd talked about previously when you talked about administration and the office and the number of people within the division offices. I'm told that there is a number of the superintendents in the central offices that have been grandfathered until June of this year. So you will probably see some shifts in numbers. Now there may be some concern with that. Some people may say, well the board's been in place since January, why do we have this carry-over? And in some cases it may be a bit of an overlap in staffing.

But while the boundaries are drawn and while the new boards are in place, there is an awful lot of work that is still going on to make sure that the school divisions have settled in into their new formation, not only just some of the basics of having a good handle on the facilities in your division but also what's available in what schools. All that kind of work has been going on. So not only the changes that come from amalgamation. It can be contracts. It can be something as simple as your sports teams, how the schedules are set up for sports teams. I mean that's one of the simpler sides of it, but it still caused problems in all of this.

So there's a great deal of work that is still going on internally, and many people feel that it will be another year or two before we will see the divisions really settle in — probably closer to two in some of the folks that I've spoken to — before there is a real settling in of the divisions into the new configuration.

The Chair: — Mr. Huyghebaert.

Mr. Huyghebaert: — Thank you, Madam Chair. Madam Minister, I realize that the talk about school closures is left with the school boards, but I also agree with your statement that there should be a chance for all students in the province. And this is impeded somewhat if we close down some of the rural schools because it's not equal then for some of the students who have to ride buses for an extended period of time because where do they partake of their sports programs and everything that you mentioned?

So my question is, is your department considering providing bridge funding for schools that are now looking at economic development and opportunity within their area — that may take a year or so to get these economic activities up and running — that will provide a number of jobs and families into a community?

But with school closures the way they're sat now, as soon as this year, places . . . And I'll give you the example of Limerick that is on the chopping block supposedly by the school division, but there's huge economic activity there. Now it would be pointless to have the school closed, and we know historically it would never open again. But here we have a huge industry coming into the area. And should that school close because of financial reasons — and the school division will say that they're closing schools because of financial reasons — is there consideration for bridge funding for a school such as that, that will see a growth because of the economic activity?

Hon. Ms. Higgins: — When we look at the process that the school divisions go through when they're looking at and taking into consideration all of the issues that surround any of the

schools that are up in the review currently, part of that would be what activity is in the area? And the economic activity would be a consideration — would be for the community as well for the school division. How long do you hold that out for? That's the question.

When the school board is looking at what they need to do for the students in that area, they don't have the resources to look at economic activity in the out years. If it's something that's immediate — on the go right now or families moving in right now — that opportunity, that might have . . . I mean it would be taken into consideration in their final decision. But if it's something a couple of years out, it's not possible to maintain services with a what-if a couple of years from now.

And I would assume you're talking about Whitemud and the development that's ongoing down there. Yes, I've had many letters on this over the past little while, some that say it's not up to the schools for economic development. They're there to provide a service to the people that live in the area, to the students that are in the area, and to do that to the best of their ability, that it's up to the REDAs [regional economic development authority] and the RMs [rural municipality] to look at economic activity.

So that's where we are. Is there a pool of money that says, this is for the school to maintain itself for another two, three years just in case there is some activity in a certain area? We don't have that. And at this point in time when the funding does follow the students, when it does, that's what we're here for is to educate students. Resources are put towards that. So no, there is not a separate pool that would address that issue.

Mr. Huyghebaert: — My question was, is there consideration to do that because you have . . . There's no consideration at all given. So you take a school such as Limerick — or Whitemud, you're correct — and how many jobs it creates, how many more students are going to be available to go to the . . . particular Limerick School because of the economic activity specifically with Whitemud, and it would seem strange that that school would close for a lack of interim funding. Like Whitemud doesn't get up and running within 48 hours. It takes a period of a year and to get to full-blown status, probably a year and a half or more.

And so what I'm hearing, if there's no bridge funding that . . . let the school close if that's what the school division wants. And I think that's being very, very short-sighted. Because if you look at the economic activity, you may be impeding people to come to that particular area because now if their children have to drive a long distance or travel a long distance on a school bus, that could be such a detractor that they may not wish to come here.

So in other words they can . . . I can visualize the Fort McMurray effect, where you operate out of a distant dwelling and go in for two weeks and out for two weeks rather than trying to establish your base in a small community — in this case, in rural Saskatchewan.

And so I think it's being very short-sighted if we not looking at providing some bridge funding for schools through the school division to look at, at least look at some of these schools that

are having economic activity within the areas that can possibly be a viable school over the next year and a half or two years, depending on how much the student population grows.

Hon. Ms. Higgins: — Well you may view it as short-sighted, but many would view it as not the role of the Department of Learning, that specifically, to provide bridge funding would not be an appropriate use of Department of Learning dollars. It's something that would fall more under the REDA when you're looking at economic development.

It's something that the divisions will take into consideration. But I guess the big question is, how far away are you looking at any type of economic activity and maintaining the services in that area? Because the responsibility, first and foremost, is to the students within that division.

The Chair: — Ms. Draude.

Ms. Draude: — Thank you very much. Madam Minister, to your officials, I appreciate the opportunity to ask a couple of questions today or a number of questions. I have one short question. I'm wondering if there are regulations with the kindergarten program for the age of the children entering and what identification is required to verify the proof of their age.

Hon. Ms. Higgins: — Good question.

Ms. Draude: — Do you have a good answer?

Hon. Ms. Higgins: — The regulations state that by the time you're seven years of age you have to be in school. So there is no direction when it comes to five- or six-year-olds. Some may not attend kindergarten. Some may enter right in grade 1.

Types of identification that would be needed when you register for school would be birth certificate, baptismal certificate, along that line.

Also there can be early entrance, whether it be for special needs or children that are doing exceptionally well. Parents may like to have them in earlier. Those are up to the discretion of the school board.

So actually when it comes to hard and fast regulations, it's the seven years of age. You have to be in school by then.

Ms. Draude: — Thank you. And I will take that information to the parent that asked me, and maybe we'll have further discussions next time.

The next issue I want to go to is reserve schools, on-reserve schools. And a newspaper article that was in the paper on April 19 that I thought was very interesting . . . because it was the first time that somebody — maybe besides myself — has talked about the fact that on-reserve schools could be the answer to closures.

I read with interest that the Department of Learning has had ongoing discussions with FSIN [Federation of Saskatchewan Indian Nations] to discuss educational standards. And I do know that, I believe it's Flying Dust already has a kind of co-operation between an on-reserve school and the town. Can

you tell me what status discussions are at at the moment?

Hon. Ms. Higgins: — Well thank you very much for the question because this really gives us a chance to talk about an area that we're very proud of in the province of Saskatchewan and the amount of work that's been done.

There's a number of partnerships that are in place and I mean on a bit larger of a scale than the tuition agreements that you may be talking about. There's the shared services and building capacity council, where there's a great deal of work that's done. First Nations schools follow the provincial curriculum. They also use teachers that are provincially certified. There is a number of agreements — the one you talked about with Flying Dust and Northwest School Division. There is also the Peter Ballantyne Cree Nation has an agreement with Northern Lights. And there are other tuition agreements that are out there.

So there's a fair bit of work that goes back and forth and a lot of work that has gone on over the years. We have a very good working relationship whether, I mean, whether it's in the services and standards and the capacity building that goes on, but also in some of the very basic programs that are important to us. The student tracking system, the FSIN is supportive of that program. And we are working to have all of the First Nations schools involved in that.

So it was an article in the paper that I was a little bit surprised to see. I've heard it talked about a number of times, having more agreements, and where you will see some of the First Nations school are in these areas where we may be seeing other schools under review. I think building capacity and getting a better understanding of what we all are involved in is very important to the whole process.

Ms. Draude: — Thank you, Madam Minister. We have been talking about this for a number of years and the potential that exists in sharing not only the cost of the infrastructure, which would be a win-win for a lot of Saskatchewan taxpayers because I believe most of the capital costs for the schools on reserves is paid for by the federal government. So that's always nice to see that. And we also know that there would be benefits in the technology that's available. They have new facilities and that type of thing. I do know that unless something has changed, the teachers that are on-reserve are not part of the Teachers' Federation. Is that correct?

Hon. Ms. Higgins: — Yes, that's accurate.

Ms. Draude: — So that would be one of the issues that would be on the table. And also the tracking system would be paramount of importance if you're going to be able to say we have one school system. So I'm hoping that this is something that is discussed. Because in a number of areas like in the one in my area, there are a number of First Nations schools that have lots of facilities that would be beneficial to the students. So it's something that I think is interesting.

Saying that, you were glad for the last question but I don't think you'll be happy about this one because I too have a number of schools that are on the chopping block or could be on the chopping block — Wishart, Sylvania, and Theodore.

The one school that I'd like to talk to you about first is Theodore. And that's one of the remote schools in that they . . . For me it's interesting because it has to be at least 40 kilometres away from the next school to a like school, example public to public. So that would mean that if it was a separate school to a separate school, and that would probably put it in the category of one that would be eligible for funding. Can you tell me if Theodore School does have the small remote school funding?

Hon. Ms. Higgins: — Sorry, we don't have the exact list. Like we can go by what the school division qualifies for in its grant but we don't have it broken down into the exact schools, the names of the schools.

Ms. Draude: — Thank you. Probably by the next time we meet I will have the answer or you will have the answer then. Surely the decision's going to be made in the next little while about the school closures.

The Wishart School is another one that they're very concerned because of the distance to Wynyard, which would be the next school for them. And specifically concerned about the conditions of the roads and getting to that school. And I know that the minister's office has received a number of letters, photographs, phone calls from people that are adamant that their school should stay open. I would think that community spirit alone should be enough to sway people who are in the decision-making area for that school. And Sylvania again is the heart of the community. When I came in, the minister was talking about the boards or the local people having a say.

At the time that I had the responsibility of being critic for Learning, I think it was about 78 per cent of the money that the boards had to work with was already committed to wages. Is that number still about the same?

Hon. Ms. Higgins: — Yes, that's about the right ballpark.

Ms. Draude: — So they really do have very little say in what they can do with the additional funding that is left for them because most of the money is already spent. Even though it sounds like a huge amount of money, they really don't have a lot of leeway.

I also noted with interest that the minister talked about drawing the boundaries for the new school division had a lot to do with hitting the magic number of 5,000 students.

And I guess for myself the question that I need to be able to answer for the people I represent is, how are you actually going to measure the success outcomes? How do we decide if this is a good thing to do or not? Are you measuring it on the number of students that complete grade 12, the higher marks that they might receive? There had to be a reason to do it. We know it wasn't for cost efficiencies. Tell me how I can respond to the people in my constituency about how you're going to prove or how you're going to say that amalgamation was successful.

Hon. Ms. Higgins: — While we're digging out the information for your current . . . How's this? I'm one question behind. It's not good. I shouldn't be doing this in the evenings.

When we look at the small remote school factor and the

introduction of the geographic factor which was introduced this year, it increases the grant recognition to Christ the Teacher. And what we would see for Theodore, because of where it is, would be recognition of 38,000 under the small remote grant program for '07 . . . [inaudible interjection] . . . Well see but this just wouldn't be . . . And also they have 115 under the geographic factor, but that probably would not be for Theodore alone. It may take into consideration other schools in the division as a whole. So there's last year for isolated school grants, they would have received 42,000. So they're just about 150 this year between small remote and geographic factor. But I'm not sure what all the geographic factor takes into consideration.

Now to try and put this all in a bit of a nutshell, when you look at what are we looking for, you will have probably heard a number of times about the continuous improvement framework. And it brings into play a number of areas where we feel the accountability needs to be higher, the reporting needs to be higher.

And what we're looking at is outcomes. We're starting to see a number of these things kick in now, and the school divisions are quite enthused and have really got on board with this whole program to make sure that . . . I mean end result is what we're looking for is better outcomes for students, whether it's in education level, improvements. I think math and sciences are the first ones that are being looked a little more closely.

But maybe what I'll do is turn it over to Wynne. You're frowning at me, so obviously I may not be making too much sense. So I'll turn it over to Wynne to give you a more complete answer.

Ms. Young: — When restructuring came into place, we also put into place an accountability framework, and that's what the continuous improvement framework is. And the framework has four goals. It's about better student or learner outcomes. It's about better equity for all students. It's about better transitions, which is around transitioning into school, like early learning and care; transitioning out to a job or to post-secondary. And finally it's about better governance and accountability.

So we set those four goals for all school divisions and then through our work are setting objectives that they need to report on. So they are things like grade 12 graduation, but they are also a standardized testing. But they go much further than that too. They talk about the quality of the school and the quality of the learning environment. They also talk about parental involvement and community involvement.

So as you go through the foundation operating grant manual, you will see a number of things that we are asking school divisions to report on. This is the first full year that school divisions are beginning to report. We do have some in now, and I think they have till, the restructuring school divisions have till next October to get in their continuous improvement framework report to us. And those reports will be public. And they are worked on by the school divisions, by the boards, and also the school community councils have a say and a responsibility in learning improvement plans, and so they'll be part of it too.

So it's quite a comprehensive framework. We're growing it as

the new school divisions are getting their legs and being able to do it. And we fully expect every year these reports are going to get better and better.

Ms. Draude: — Thank you. I told my colleague I was finished but I have one more question. Maybe it's just a comment.

I was waiting to hear you talk about the children that are gifted, because in many cases we are talking about children who have disabilities and spending a lot of time and money ensuring that they can fit in. But on the other hand, we have a lot of children that are gifted and sometimes parents feel that they are not given the opportunities they need, the advancement that they can have, because kids are like sponges and they can learn a lot.

So is there any part of your continuous improvement that talks about ensuring that children who are exceeding what could be considered norm, well what are you doing to ensure that they have got every opportunity in this province and that they will be the ones that are off the scale on the other end and helping our province?

Hon. Ms. Higgins: — There is the ability for school divisions to create programs. And we were just talking about, you know, you will see, from a variety of needs that are out there, there will be programs developed. Probably the most notable that popped to mind right away was the extended learning opportunities that is in Saskatoon school system that provides some unique opportunities for children and students.

But the issue of diversity is one that's dealt with by all of the school divisions. And the continuous improvement framework, that's one of the things that we look at, is how it's delivered and the results of the programs that are out there. So a lot of it's left up to the divisions as to the needs they feel best to address in their divisions.

The Chair: — Mr. Stewart.

Mr. Stewart: — Thank you very much, Madam Chair. Madam Minister, in my constituency of Thunder Creek and all within the Prairie South School Division, there are two schools that I understand have had their heads on the block, so to speak. And one is Eyebrow and the other Chaplin. I was advised some while ago that Eyebrow was out of danger for this year. Does the minister have knowledge to confirm or deny that?

Hon. Ms. Higgins: — My understanding was that there was an article in the *Times-Herald* paper in Moose Jaw quite some time ago when the reviews were first announced that after, I think, there was one or two meetings that were held in Eyebrow, that it was taken off the review process.

Mr. Stewart: — And to the minister's knowledge that's still the status, and it's safe for this year.

Hon. Ms. Higgins: — Well that's my understanding, I mean, and I'm going by newspaper article so . . .

Mr. Stewart: — The other one was Chaplin, and can the minister advise if any decisions have been made on Chaplin or how that's proceeding?

Hon. Ms. Higgins: — I don't know of any final decisions being made on Chaplin. I know there was a number of concerns expressed to me by people in that area and folks that have children attending the school — that there was concerns about Herbert and Chaplin both being looked at and that if both schools for whatever reason were closed by the respective school divisions, that it would leave a huge gap in that whole area in that southeast corner of the province.

I think some of the early discussions with the board — and I'm not speaking as the minister, speaking just from people that I have spoken to in my constituency office as the MLA [Member of the Legislative Assembly] for part of that area — there was expressed the need to have discussions between both school divisions to decide on what was the appropriate changes, if any, for that area.

Mr. Stewart: — Thank you for that, Madam Minister. Chaplin of course is home to the sodium sulphate plant. And I don't know if the minister's aware — and I wasn't until within the last week — that there is a major expansion planned for that plant. They've discovered new markets for their product, and they're talking about pretty substantial and sweeping changes to the plant at Chaplin, and a considerably larger plant. That may involve the town of Chaplin growing to some considerable extent.

I know that the school boards make the final decision as to whether to close the school and I'm not trying to put all that on you, Madam Minister, because that's the way it is. But I wonder if there's any consideration given to . . . In circumstances like that where a community, it looks like a community may be on the brink of some positive growth, could there be any consideration given to extending extra grant money to the board to keep that school running for a year or two to see what develops?

Hon. Ms. Higgins: — One of your colleagues actually asked quite a similar question about Limerick and the Whitemud development that is taking place down in that area. But you know, I realize that this is a very difficult time for many communities and for many folks in the education system, boards of education for sure.

Over the past decade we have seen an investment by this NDP [New Democratic Party] government of an additional \$200 million into the operating grant to go to the school system. And I know from my involvement that at many times you heard the concern for the education portion of property tax increase and the mill rates increasing, so every budget there was an attempt to put as much as we could into the operating grant. And what we've seen over that decade was a \$200 million increase in the operating grant from the provincial government, and in the same time frame about a 15 per cent reduction in enrolment.

But at the same time we continued to see mill rates creep up. And I have to say, as difficult as it is, we really need to look at the system and see what's sustainable and what isn't because I don't think anyone was totally happy with the way it was before.

While there's the property tax credit and there's the tax credit, education portion of property tax credit on agricultural land

that's been extended or is still applied to agricultural land, and we've just recently extended the education portion of property tax on residential . . . the credit on residential and commercial property from 8 per cent to 10 per cent, that's not the answer. We need to make sure that we have the appropriate services for the students in Saskatchewan, and we're providing those. I think taxpayers are demanding more accountability of, I think, the education system and the outcomes for students. We also need to be more accountable on that angle also. So I think there's a number of changes that are taking place.

But now when you look at economic development . . . And sorry, I'm giving you kind of the long answer. As I said to your colleague previously, from Wood River, that economic development is taken into consideration by the school divisions. It's one of the things that's looked at when they look at the community and the expected enrolment in that community and projections that are made.

I guess the difficult part is, and where we may disagree is, how long do you project out, and how long do you want to maintain a school or a facility or the services that are there what if, just in case, when you don't know will it be young families that are hired? How large will the expansion be? Will it be automated? Will it be labour-intensive? Will it be young families? Will it be older, more established, mature workers? Who will be brought in? It's pretty difficult to take the money out of the education system or away from students that are currently in the system to maintain for a what if in the future. Some would argue that it's not the role of the education system at all. Some would argue that we should be involved in it.

I think where we are right now, that the boards of education, when they're taking into account the circumstance around reviews of any schools — whether it's for grade discontinuance or closure — would take the activity within the community into consideration when they're making their decision. I believe that's the way it should be. But to maintain a facility into the out years on a possibility, I'm not sure . . . It's just very hard to justify when you look at the way education has been financed, the way it's funded, and with the basic premise behind education that the dollars go where the students are.

Mr. Stewart: — Thank you, Madam Minister. I understand the difficulties in working this thing out. The issue with Chaplin, though, it's a bit of a unique community in that the vast majority — if not all — of the employees that work at that sodium sulphate plant have lived either right in Chaplin or in the close surrounding area. It's quite unlike many communities that do have industries. And that's why I think it's more applicable to Chaplin when there's an opportunity for an expansion, and it's more likely that they will, that they will hire families that will move into the town. And in lots of cases, you know, they don't. They move to the next larger town down the road or a city. But Chaplin, that's not been the case with Chaplin to date.

And I'd just leave this with you. Doesn't it make sense to keep that school open for the short term — you know, a year or two I mean by that — till we see what can develop in relation to this proposed expansion, and it seems that it will be a substantial one. And it's all news to me and it probably is to you too. It's been less than a week that I've known about this in any detail at

all, and I don't know much detail yet.

You know, the school has done a top-notch job with the students. It's well supported by the community and, you know, it happens that there is . . . It appears that there may be an opportunity for that community to grow and to actually be able to support a school. So I guess what I'm asking on behalf of the people of that area is: is it not worth a second look?

And maybe you'd like to speak with the people from the plant. They certainly have some pretty ambitious plans — new young management. They're certainly going to take it a long ways if they can. And it might be beneficial for you, Madam Minister, to have a chat with them, and I'd be willing to facilitate that if you like. I'll leave you with that.

Hon. Ms. Higgins: — Just a comment also, Mr. Stewart, would be that I would recommend that if you are speaking to the plant and if there is an imminent expansion planned at the plant that they should, maybe through you or on their own behalf, contact the school division to have a discussion with the director of education or the chairperson of the board, and pass along any opportunities that they may be providing for kind of growth within the community. It doesn't hurt for sure.

Mr. Stewart: — Thank you, Madam Minister. That's all I have.

The Chair: — Mr. Weekes.

Mr. Weekes: — Thank you, Madam Chair. Good evening, Madam Minister, and to your officials. My questions are concerning schools in my constituency. It's Landis School and Sun West School Division. I'm looking at the projections based on September 30, 2006. And in the past year there were 90 students; current, 84; '07-08 projection, 75; '08-09, 64; '09-2010, 55; 2010-2011, 51; and 2011-2012, 44 students.

I'd just like to ask the minister what is the status of Landis School presently? And I guess the ultimate question is: unless there's more students arrive, what is the plan for Landis School in the future?

Hon. Ms. Higgins: — I'm sorry. I'm scratching my brain here. I don't believe there's anything in Sun West that is under review currently.

Mr. Weekes: — You're correct, but I'm still asking the question about Landis, given the numbers of students they have and the projections.

Hon. Ms. Higgins: — For any changes to be made, notice would have had to have been given. So when you're talking about projections for the out-years, you're looking at next year, year after projections for what will happen to the school or for enrolment in the school.

Mr. Weekes: — Well they go hand in hand. The projections are for enrolment.

Hon. Ms. Higgins: — Okay.

Mr. Weekes: — But my question is what is the future of Landis

school?

Hon. Ms. Higgins: — Well what you need to do is talk to the board of education, Sun West, and . . . Nothing's under review so no changes for this year. Now what plans they may have or what they may be looking at in the future, that's something that needs to be discussed with the board.

Mr. Weekes: — Right.

Hon. Ms. Higgins: — Sorry.

Mr. Weekes: — These questions may have been asked, but what is the department's role in . . . When there's a school in review or in this case, Landis School, when the projections are not in their favour, what is the role of you, as minister, and the department in deciding whether schools are going to be reviewed or closed?

Hon. Ms. Higgins: — It's quite clear in The Education Act that the day-to-day operations, the facilities that are maintained, and the grade levels that are maintained are purely under the authority of the school division. So these are all decisions that the Sun West school board would be making and looking at in any of their decisions that they may take.

Mr. Weekes: — Thank you. I'd like to move on to another area. Radisson school's been closed now for a few years. There was an application made to the boundary commission to move Radisson from Prairie Spirit to Living Sky. Could you tell me the status of that application?

Hon. Ms. Higgins: — I think it was in the fall or end of the summer '06 we appointed the education boundary commission again to have a look at the Radisson issue, and between Living Sky and Prairie Spirit they came to a . . . well an agreement to establish the new boundary. And what has happened is they have negotiated reciprocal transportation and tuition agreements for the '06-07 school years. So both school divisions agreed with the recommendation, mutually determined a new boundary, and the agreements were finalized.

So I almost hate to say this; I mean I haven't heard anything in the last little while. It seems to be fairly quiet. And I think, while the new accommodation and the new boundary may have been a little unusual — because it was not a straight line by any means — it took into account the preferences of the parents and the students that were involved. But it was agreeable to both divisions and an agreement, a reciprocal agreement was reached.

So it's worked out well after some difficult months and the educational, the boundaries commission was very helpful I think. And I think all parties really co-operated to come to a good decision at the end.

Mr. Weekes: — So in this current school year, students that live in Radisson, do they have the option of going either to Maymont or to Borden and the cost of their busing is covered by one or both of the school divisions?

Hon. Ms. Higgins: — In the beginning, what happened a year ago, the boards agreed to set up the reciprocal agreements for

transportation and the tuition agreements and they determined a new boundary between the two school divisions. And that was all in place before September '06. The transportation and tuition agreements included all currently affected students and their siblings. Parents needed to make a final decision as to which school their children would attend by August 1, '07.

And so for the students that were currently enrolled in one or the other, they could make the choice and there would be the reciprocal agreement. But for new students, there would be a requirement to attend the school in their attendance area and that was commencing August 1, '06. '06, '07? '06.

So by the end of August '06, so last summer, both school divisions had passed motions that agreed . . . agreeing on the lands to be transferred but continue . . . so for the boundary to be changed, but continued to work on negotiating the tuition and the transportation agreement. And my understanding is as of early in last fall, that was reached and the agreement was signed and done.

Mr. Weekes: — I think I understand what you're saying. So from a practical point of view, there's a bus coming from Maymont or picking up students in Radisson and taking students to Maymont to go to school, and also a bus picking up students in Radisson and taking the students to Borden to school. Is that what you mean by that agreement?

Hon. Ms. Higgins: — Do you know, I'm trying to remember. This was quite a while ago that I signed off on it, but it was an unusual boundary. But it really took into consideration where the students wanted to attend so it . . . I don't know whether there would be any criss-crossing of bus routes but there was some that may be closer to one or the other that chose to go to the other. And that was the agreement that was reached, to kind of come to a conclusion and to let everyone get back to school and . . . or stay in school and not be kind of consumed with this issue that, I'm sorry to say, did cause some real problems. And that was one thing that we wanted to settle and get away from that. The last thing you want to do is have an issue like this that causes problems in a community — and most definitely in a community or in a school.

So the agreement was reached. And while it may not look like it's the most reasonable or rational boundary line that's there for the students to go to the schools that they had preference for, that was really one of the determining factors in the final agreement that was reached. So I think all around it was a good decision.

Mr. Weekes: — Could you clarify? You've been saying the new boundary. What is the new boundary and what is the implications of the new boundary?

Hon. Ms. Higgins: — Well I should actually get you the information . . . would be better than me going by memory. I can see a map in my mind of a strange boundary line that was drawn to accommodate the requests and needs of students that were in the area, and to address some of the issues that arose during that time. So what would be better than me trying to do this from memory . . . And we don't have the information here. How about we will get you more information and we will get it to the Chair, and you can have a look at it then. And then next

time we're up, if you've got any questions, that would be a better way to do it.

Mr. Weekes: — I'd appreciate that information. But maybe you could just answer this one. Is Radisson all in one school division or is it split between two?

Hon. Ms. Higgins: — We'll get you the information because I can't remember for sure. Sorry.

Mr. Weekes: — Okay. You'd said that the students already enrolled are going either one way or the other. New students are going to be . . .

Hon. Ms. Higgins: — In their area.

Mr. Weekes: — In their area.

Hon. Ms. Higgins: — In their area.

Mr. Weekes: — Okay. I guess that . . .

Hon. Ms. Higgins: — Siblings and current students will be able . . . will continue to the school of their choice. But as those students move and graduate and new students move in, then the requirement by the information . . . and it's pretty . . . just point form that's here. It looks like new students after that will be required to go to the school in their area and that the reciprocal agreement won't continue indefinitely.

Mr. Weekes: — Well I look forward to the information because I guess the definition of 'in their area' is critical to what I'm asking. Okay, thank you. I appreciate your . . .

Hon. Ms. Higgins: — We'll get you the information.

Mr. Weekes: — . . . Your answers tonight and the future information.

Hon. Ms. Higgins: — Okay. Yes we will, Mr. Weekes. Thank you.

The Chair: — Would you like a break for five minutes? You've been sitting there and you can't just run up and go anywhere.

Hon. Ms. Higgins: — Sure.

The Chair: — Okay. Five minutes.

[The committee recessed for a period of time.]

The Chair: — Okay. Mr. Elhard.

Mr. Elhard: — Thank you, Madam Chair. Madam Minister, to your officials, and to the topic that we're discussing tonight, I'm going to bring my interest and my best questions, my most refined questions.

I was interested to read, in a publication that comes out of the Cypress Hills, a story done by a local reporter in which there were several people interviewed including the chairman of the Chinook School Division and Dr. Horsman. And out of that

interview came some information that I wasn't aware of previously. It talks about the isolated school factor, which I assume was part of the previous foundation operating grant and what has been now referred to as the newly established geographic and small remote school factors.

So I guess the question for the minister and her officials is this: how is the new factor or factors different from the factor we enjoyed as part of the foundation operating grant previously?

Hon. Ms. Higgins: — If you remember back when the Boughen report was tabled back in . . . I think it was in May '04, one of the recommendations was simplifying and clarifying and increasing the accountability in foundation operating grant. So what we've done is, over the last two years, we have gone through a process of . . . It was too big to make too many changes all in one year so we have divided it into three parts.

Phase 1 was implemented last year; phase 2 was implemented this year — and that's where the isolated school factor had been previously. This year what happened is we replaced the isolated school factor with the small remote school factor and also added a geographic factor to this year's operating grant.

The small remote school factor is designed to provide school divisions with additional grant recognition for the operation of small schools that are a significant distance from other schools. So the amount of recognition is dependent on two factors: size and distance from the nearest school. As schools get smaller, the class sizes are smaller even with multi-graded classrooms, so the costs per student are higher.

Additional funding is provided for the operation of schools that have an average enrolment per grade of less than 14 and are 40 kilometres or more from the nearest school and is maximized . . . The distance factor is maximized for schools that are 60 kilometres or more from the nearest school.

And then the geographic factor is comprised of two components also. The additional costs occur mostly in smaller communities. We all are aware of that. Therefore eligible school divisions will receive recognition of \$157 for each student who attends a school in a town or a village with fewer than 4,000 people. And because geography has some impact on the entire system, these divisions will also receive additional recognition of 1 per cent of their total basic per-student recognition.

So between the small remote school factor and the geographic factor are \$6.4 million and 13.8 million respectively. And this represents . . . It's about 23 per cent higher or a 23 per cent increase over what was provided for the isolated school factor which was 16.4 million last year. So it's more money, and it's clarified. And what we're trying to do is to make sure that the actual costs of operation are covered.

So we've been working through the operating grant, and we'll continue with phase 3 next year. There are some factors that are left, but phase 2 is implemented this year. And these two factors were put in place specifically for the rural areas.

Mr. Elhard: — So you've indicated there's more money related to these two factors as opposed to the single one last year. And in your view, the two factors now are more

appropriate and complete in dealing with the issues of isolation in small schools and the cost of running them?

Hon. Ms. Higgins: — Well I think we'll be the first to say that we are going to continue working on the geographic factor because it's new. We feel we've put in place a good formula, but we'll continue working with the school divisions to make sure that we're covering the actual cost, and do what refining there may need to be done as it actually comes into play and is utilized.

The last couple years there has been a great deal of work done with the school divisions — boards and administration level — to make sure that the funding that is going out, we are clear as to why it is going to the school divisions and what it is for. So just clarifying, making sure that the factors are appropriate for the needs in Saskatchewan. And this one, the geographic, being it's new this year, I think we all realize that it may need some refining and tweaking over the next year.

Mr. Elhard: — Would the officials from the various school divisions have been made aware of this change that was coming prior to the announcement of the budget?

Hon. Ms. Higgins: — Somewhere in this big binder I have here there is a list of the consultations and the work that's gone on over the past number of months — pretty well the last year — in preparation for the changes that were implemented with this budget: discussions on the factors, discussions on accurate costing, expenses that the boards would have experienced. So yes, there has been a number of meetings at many levels that have gone on over the past year. One thing you will find quite quickly in the education sector is that there is a great deal of communication and collaborative work that goes on, on any of these issues.

Mr. Elhard: — I thought you were going to say the grapevine is short.

Hon. Ms. Higgins: — Well that could be too, but I do know that there's a lot of work that goes on between the boards. And whether it's regionally or with the department, the consultations are extensive.

Mr. Elhard: — The reason I'm asking these questions, Madam Minister, is that at some point this spring the Chinook School Division board was I think reasonably or cautiously optimistic that the new foundation operating grant, that these additional factors or these changed factors, would have a positive effect for them. And I refer to a news clipping in the *Leader Post* from Friday, March 9, in which Dr. Horsman is quoted as saying that we're looking at the new foundation operating grant with, you know, with some reasonable expectations that some of the issues that the school divisions are looking at are going to be addressed — although she didn't give 100 per cent assurance. She said that, according to this article anyhow, that:

We're hoping some of the extra funding that is going to come their way is going to help compensate them for some of their costs of running their schools.

And I guess that certainly led me to be reasonably optimistic. I was expecting, given the uniqueness of the Chinook School

Division, that if there were going to be additional dollars coming to school divisions based on these small remote factors and geographic factors that Chinook School Division would be one of the divisions that would benefit because of the uniqueness. But clearly that wasn't the case. In fact, Chinook School Division was shortchanged in funds again this year, substantially.

And I guess my concern as a result of our discussion here is that, if these factors didn't have a positive and beneficial effect to the Chinook School Division, what are we going to look forward to in year three in this transition period that will have a positive effect for that school division given the uniqueness of the division? I understand that other rural divisions closer to Regina and Saskatoon did benefit, but we didn't. And I think that's a matter of serious concern for us.

Hon. Ms. Higgins: — Well I think, first and foremost, when we have gone through the redevelopment of the operating grant to make sure that it is simplified, getting rid of some of the factors where there was a fair bit of entries that were needed for relatively small amounts of dollars . . . So we've looked at making it simpler, clearer, more accountable, and making sure that we're accurately reflecting the costs and the expenses for the school divisions.

So you will see Chinook School Division is receiving \$1.2 million in recognition for small remote schools and also receiving \$1 million in recognition through the geographic factor. And this is down from an overall . . . Last year, for the isolated schools, it received 3.4 million.

Now the big difference for Chinook here was for the Hutterite schools that are located on the colonies, and I believe Chinook has one of the highest numbers of Hutterian schools in any of the divisions.

Mr. Elhard: — The highest.

Hon. Ms. Higgins: — The highest? Was that when we look at . . . And this is part of the clarification and simplifying the operating grant was that while Hutterite schools were located on the colony and students would come from that colony, by the criteria from the previous small school factor, remote school factor, they qualified for extra funding for transportation or whatever because under the black and white regulations that went with the other factor, that's where they fell into the picture. But that's not accurate.

So what we tried to do with the review and the clarity within the operating grant was to make sure that we address those types of situations where in fact the school division was being overcompensated for factors that really didn't apply in those circumstance. So there was some changes there, and that's why the two — the geographic and the small, remote school factor — and why the change for the worse I'm afraid for Chinook.

But you will also know that while . . . And we did this last year also, when we look at changes within the factors, and there was some shifting of the funding, we have backfilled that money so that none of the school divisions have lost funding because of the changes that we've made to the factors within the foundation operating grant.

So in fact this year there is, I believe, \$2.7 million that is backfilled partly into Chinook, Prairie South, and I think there . . . I can't remember the others, sorry for that . . . Oh Sun West. So you know, we've backfilled those. So when you see the loss, again we get to change in assessment and enrolment changes, and that's still one of the big influences or if not the biggest influence on any of the school divisions previously.

And I know the foundation operating grant, while it's a funding mechanism that we've used for many years and it was high time that it was simplified and clarified and made more appropriate to the expenses that the school divisions currently have, we'll continue with phase 3 of next year which is some odd factors. The community schools are in that, just to name a few of them that didn't fit in the general factors. So we've left them until the end to say, is this being done the right way? Is there a better way we can do it? Is it best left the way it is? You know those are all things that are looked at. So there's just some odd factors that are left to be reviewed for next year in phase 3.

What will benefit Chinook? I think as we go along, we're still going to have look at . . . and particularly across the South. And my school division, the school division that I live in — it's not my school division, but it's the one I live in — has been one of the ones that has been hit also. And I think it's an issue right across the South of the province. And I guess some of the questions that we have asked is, is this enough to do the small, remote and the geographic factor? Is there something more we need to look at?

You know there's different accommodation that's made for the North because of the travel and the distance and the issues that are unique to the North. Is there something like that, I mean in my mind, that we should be looking at across the South, you know, because of the distances, because of the remoteness of many of the areas across the South?

And we're seeing kind of, over and above the enrolment declines and assessment changes, we're seeing a real shift in the population in the South and I think province-wide. While we are seeing the demographic change and the shifts that are happening, the South, right across that band, right across the southern border is being affected in ways that may be unique in the province.

So I think it's something that we have to keep an eye on and that we'll continue to monitor it, make sure . . . as I see appropriate things we should be doing. Right now we believe it is; we believe we've put some good factors in place that should benefit. But it's not stagnant by any means. We're going to have to keep an eye on it.

Mr. Elhard: — Madam Minister, I don't think anybody would complain with your attempt to bring clarity and some understanding to the foundation operation grant. I think that's probably an exercise that's long overdue.

The problem, I think, for my constituents in particular and many others is that part of that clarity has not been beneficial to our area. And I think we've made the argument in many other instances, and for very similar reasons, that geography and distance and population in the Southwest really puts us on a footing that is much more akin to the Far North than it does to

central parts of the province. There's virtually no similarity in the Southwest as there would be, you know, in areas such as Humboldt or that area from Saskatoon to the Southeast. So that special recognition, I think, is long overdue and has merit. If there is a willingness on the part of the department and the government to take that isolation and that distance into consideration, there's a place where that can be applied pretty appropriately.

And I guess the other part of the equation when we're discussing this, Madam Minister, is that while we're talking about, you know, the erosion of population numbers and school population numbers in particular, what's really frustrating for many of my constituents is that the very communities that have some real potential for growth — where there might be population stabilization if not actual growth — are among the communities where there is school closure being threatened.

I listened with some interest to the member from Thunder Creek talking about Chaplin and that school. You know, if they're talking about a major expansion in Chaplin, it wouldn't take much to have a project like that cost 2, \$300 million dollars. The taxes generated by a project of that size would easily cover the cost of operating that school for the next decade. So where you have those kind of instances, it seems to me that there has to be some willingness on the part of government and school division authorities to look at those prospects and say, yes, maybe school divisions aren't responsible for economic development, but there is a role for us to play in stabilizing this situation until that economic development can happen.

And I'm also referring to the community of Richmond which is, you know, a very small community, but there's some interesting statistics there that I don't think have been taken into consideration by the school division at this point. That's 25 unmarried guys who own houses in that town. You know, if every one of those guys get married and have their own two kids, that'll double the population of that school in no time. That's the new math.

But those kinds of circumstances . . . Richmond is a small community. It's right close to the border, but it's in the heart of a very strongly developed and even growing oil and gas industry. And with the changes your government has made — and I'll give you credit for having taken those steps — in the corporate capital tax and the business tax adjustment and some of the other things that your government has done, there's good reason for small businesses to establish themselves in Richmond where they might have fled to Alberta previously, which was the history of that area. Many of those small companies packed up and went. But now that Saskatchewan's tax regime is more competitive there's reason for those small businesses to stay.

I believe, Madam Minister, you just got a letter in the mail within the last 24 hours from a businessman in Richmond who said, I own two businesses here. One employs three or four people, the other anywhere from 20 to 30 depending on the seasonal work. And if this school closes, I can't keep my employees here, and I certainly can't keep my business here. And I mean this kind of impact of school closure or threat of school closure can be pretty debilitating and pretty hazardous to

the future of a community when they're just kind of hanging on by a thread now, but there is reason to hope for the future.

So I know my colleagues have argued that there might be some good logic for funding those kinds of communities where they're just on the cusp of a breakthrough economically. And it would be in the interest of the provincial government to allow that time period to happen because we don't want to stifle any of this economic development because there isn't a school in the community either.

So I guess the long way around this is that while I understand the importance of making this foundation operating grant clear and understandable, if we're too rigid in this, it might actually produce counterproductive results. And I think that your government would be well served to look at that and move quickly to accommodate and try to adjust the grant to take those special concerns into consideration.

Hon. Ms. Higgins: — Well I'm not quite sure what to say to you; there's all kinds of thoughts going through my head. And as I said to your colleagues previously, there's always the question of, is that the role that education and the Department of Learning should be playing in the province?

And I guess I get down to the more practical — I mean I guess that's more my personality — but where do you take the money from? I mean I'm quite serious. Do I go to the treasury and say, we need more money for to keep these schools open? Do I take it from another school, to say this needs to be here for a number of years? Those are the difficult choices, and that's not traditionally the way education has been funded.

Mr. Elhard: — Well let's talk about that, Madam Minister. Let's use Richmond as an example. There's a community that generates about \$2.4 million in tax revenue.

Hon. Ms. Higgins: — Strictly the education portion of property tax or all-in?

Mr. Elhard: — Strictly the education portion.

Hon. Ms. Higgins: — Okay.

Mr. Elhard: — \$2.4 million, and the cost to run that school I believe is somewhere in the range of \$500,000, give or take a few bucks. So you know basically they're contributing five times what it costs to run their school now. The argument that you're making is that, you know, if we can't afford to really, to do anything to keep that school open for any length of time, but on the other side of the coin if the school closes and those businesses leave — the ones that are still in Richmond leave — and we lose the potential of new business developing in the community, what have we gained?

You know this is a question of, is the glass half full or is it half empty? And I can make the argument I think in the case of Richmond — I don't know if it can be made in the case of every community — but in the case of a community like that I think that's a legitimate way of deciding whether or not it's plausible or realistic to keep the school open for an extended period of time. They're vastly overcontributing to education, and the costs of maintaining their school might be easily offset

by the development of new business in the community. So I don't want an answer on this. I mean this is a philosophical discussion maybe, but I'd like to move on to some other areas if I may.

Right now the Chinook School Division has a mill rate of 21.3. I don't know what the provincial average is this year but it seems to me last year the provincial average was about 19.2. So we have a mill rate already that is 2-plus mills higher than the provincial average. And according to the chairman of the school division, if funding doesn't acknowledge or recognize the unique and special costs of education in our vast and remote southwest part of the province, the mill rate in the Southwest could be anywhere from 28 to 30 mills within the next five years. The school division is contemplating a mill rate increase for this year.

Now I thought the purpose of amalgamation and all of the difficulty that we've gone through in this province was to try and equalize as much as possible the mill rate across the province. I know the city of Regina has a considerably lower mill rate right now, and I don't know if they're contemplating much of an increase, but the point is that if special attention isn't paid to the costs of providing education in an area as geographically unique as the Southwest, we're going to be paying one and a half to two times what larger urban areas are paying and I don't . . . I would call that a failure of amalgamation, not a benefit of amalgamation.

Hon. Ms. Higgins: — Well I can tell you there are urban areas that have mill rates of 21.3 right now, because I live in one. For many reasons, we're at 21.3. I have a hard time when you say that amalgamation was a failure.

Mr. Elhard: — No, I didn't say it was. It wasn't.

Hon. Ms. Higgins: — It could be. It could be a raving success too. But we'll wait and see.

And I would think it would be . . . Well I believe in the decisions that we've made and I believe that we have taken the right decisions to provide that equity. And never mind that the difficult situation we're in right now — I'm the first to recognize that. And for many communities, it is a difficult time. And for many school divisions, it's a very difficult time. They have some very tough decisions to make and this review process has been very emotional for many communities.

Change always is difficult and I think even more so right now when we're waiting for the final decisions to see what will happen. It makes it hard on students. It makes it hard on teachers. It makes it hard on parents, and on the boards themselves to have to make the decisions.

But the fact of the matter remains is that over the past decade we have put 200 million more from the Government of Saskatchewan into the operating grant within the education system, with the intent that if we put more money in, we would see the mill rate stabilize . Or — I mean, best case scenario — they would start to come down a wee bit. It hasn't happened.

What we've seen is \$200 million more, which is 52 per cent added to the operating grant from the provincial government

over a decade where we have seen enrolment drop by 15 per cent. Fifteen per cent doesn't sound like much but we're talking almost 27,000 students. And in the same time during that same decade, we have continued to see mill rates creep up.

So I mean, you know that the system cannot continue to go on the way it was. So what do we need to do? Well first and foremost, I think we need to stabilize the regional pooling to have the larger divisions and look at beginning to move down the path to build a better system that will be able to provide the services that are needed right across Saskatchewan. And I think the redevelopment of the foundation operating grant was a big step. School division amalgamation was part of it. And we talked about this earlier; you can have the wealthier divisions that have access to a higher assessed property tax base which may willingly amalgamate with each other, but no one wants the divisions or the areas of the province that may be having some difficulty.

We had got to a point where there were 82 school divisions within the province. Amalgamation and any mergers of the school divisions had really come to a halt, and it was felt that we needed to move ahead and put in place the larger divisions — with hopefully no less than 5,000 students and not huge divisions. But there again, across the South where our population is more dispersed, you have larger divisions which present challenges and more so, I think, than some of the other divisions to the boards that are elected there.

Mr. Elhard: — Madam Minister, describing the Chinook School Division as huge is underwhelming in some ways. Because I have the largest constituency in the province outside the Far North, and the school division is half again larger than my constituency. It's not big; it's unmanageable. It's unwieldy because of the size of it. And the 5,000-student criteria that was put in place when amalgamation happened just clearly ignored that reality. And frankly it was inappropriate to the requirements of the people.

Let me put it in another way. There are six schools under review in the Chinook School Division at this time. If all six of them were closed, it wouldn't make a difference of any sort to the bottom line of the Chinook School Division. I don't know what their total budget is, but they're \$10 million short in their financing this year. So they can close the six schools and it won't come anywhere close to making up the \$10 million this year, let alone the added costs going forward.

You know, when the chairman throws out the idea or the prospect of a 28- to 30-mill education property tax mill rate, you know, I don't think he's irresponsible when he says that. What he's saying is that to address the shortfall of revenue this year, let alone the increase in costs for next year — and we've got union contracts that are going to be decided soon and naturally escalating costs in utilities and all the rest of it — that becomes a horror. It's almost too ugly to contemplate. And it's not as though we're not paying enough taxes now. People are bleeding money in taxes right now.

So I guess, I mean, we can sit here and say, well they've got to do, you know, a better job of managing their affairs. There's a limit to what they can do. And if they close six schools this year and it won't make any difference, what are they going to do —

close 10 next year? And pretty soon are we going to have one school in Swift Current, and everybody can go the 250 kilometres to attend school there or board in the town, in the city? I mean that's what's coming with this scenario unless there's some clear undertaking by your government to fund a school division like Chinook because of the unique circumstances that it faces.

Hon. Ms. Higgins: — Well there's really not any direct question that you asked in that, but there's a couple of statements that I would like to address.

First off, in your last statement you talked about your school division said maybe in five years we would see a mill rate of 28 to 30 mills. So I mean, keep the five years in there. If that was what was said to you, then I would prefer that . . . I mean don't say 28 to 30 almost like the implication is that that's coming this year because that wasn't accurate in your first comments.

I think you're right, I think, in many of your comments when you look at the uniqueness of the school divisions. Do I think the size is a big change for all of us? Yes, I think it is, in the size of the school divisions and the delivery of services. There are many opportunities out there for us. And I still believe that the decisions were made were the best ones for the province as a whole and that we need to continue working towards providing those services for the students.

Do I believe, like you, that you hit a point where you can go no farther, that you are at . . . And I don't want to use the term most efficient. I always feel that there is a break point in any of these circumstances where you can make changes, you can refine the service, you can change the system or the delivery system, but that you hit an optimal point. So I think that's what you're getting at; that you just can't keep cutting back, cutting back, cutting back — that while it's a change to the education system, we also want to improve it. And that's the challenge, I mean, to make the decisions that are appropriate to — you know I've said it I don't know how many times — to provide the best opportunities for students that we can and the most equitable system that we can right across the province.

So thank you very much for your comments, and your point is well taken. And I understand where many of . . . I've had many, many letters and emails over the last number of months from Richmond, from many in your constituency and from the Chinook School Division, and very heartfelt expressions of concern for their community and for children and students, but also some good suggestions.

One young woman that I met from Richmond at SARM [Saskatchewan Association of Rural Municipalities], actually we had a very good conversation and talked about the positive aspects and where do we go from here. Because there are so many opportunities with technology and, you know, new ideas that are out there that we need to be looking ahead. So thank you very much for your comments.

Mr. Elhard: — Thank you, Madam Minister. I hope the other communities that I represent whose schools are under review don't feel I'm taking Richmond's favour in this. It's just easiest to make the case for them because of the uniqueness of that situation. But I was just looking at some figures here and in

the last two years the Chinook School Division has lost about 350 students, and we've lost \$3.2 million in foundation operating grant money, and that money would've gone a long way to solving some of the problems that we're facing right now.

I noticed that we've reached the time of conclusion for estimates in Learning tonight and I'd just like to thank the minister and her officials for giving us these two and a half hours. Sometimes when we're in the heat of the discussion the time goes faster than for those who have to sit and observe, but I'd like to thank each person who came here tonight and we appreciate that very much.

The Chair: — Thank you to the minister and her officials. We do need a motion to adjourn. Mr. Borgerson. All in favour? We're adjourned then until Wednesday at 4:30. Thank you.

[The committee adjourned at 21:29.]