



# **STANDING COMMITTEE ON HUMAN SERVICES**

## **Hansard Verbatim Report**

**No. 25 – May 7, 2009**



**Legislative Assembly of Saskatchewan**

**Twenty-sixth Legislature**

## **STANDING COMMITTEE ON HUMAN SERVICES**

Mr. Glen Hart, Chair  
Last Mountain-Touchwood

Ms. Judy Junor, Deputy Chair  
Saskatoon Eastview

Mr. Denis Allchurch  
Rosthern-Shellbrook

Mr. Cam Broten  
Saskatoon Massey Place

Ms. Doreen Eagles  
Estevan

Mr. Serge LeClerc  
Saskatoon Northwest

Mr. Greg Ottenbreit  
Yorkton

[The committee met at 11:22.]

**Bill No. 89 — *The Education Amendment Act, 2009***  
**(No. 3)/Loi n° 3 de 2009 modifiant la Loi de 1995**  
**sur l'éducation**

**Clause 1**

**The Chair:** — Good morning, and I would like to welcome everyone to this session of the Human Services Committee. Our agenda today is to deal with two Bills from the Ministry of Education: Bill 89, *The Education Amendment Act*, and Bill 90, *The Miscellaneous Statutes (Education Property Tax) Repeal and Amendment Act, 2009*.

Before I call on the minister to introduce his officials, I would like to note that we have one substitution. Mr. Wotherspoon is substituting for Ms. Junor. We have with us the Minister of Education and he has a number of officials, and I would ask the minister at this time to introduce his officials.

**Hon. Mr. Krawetz:** — Thank you very much, Mr. Chair. Mr. Chair, I'm very pleased to introduce again for the committee's benefit my deputy minister, Audrey Roadhouse, seated on my right. Behind me on my left is the assistant deputy minister, Helen Horsman, as well as Darren McKee, also assistant deputy minister. We have present today, we have Rosanne Glass, executive director of policy and evaluation, Drew Johnston who is the director of policy and evaluation as well. We have Brenda Maximuik who's legislative policy and privacy analyst; Christina Stanford, director with education finance and facilities; Margaret Ball, also director with education finance and facilities; Merv Woods who's Crown counsel from the Ministry of Justice. And we also have, Mr. Chair, Norm Magnin who is the policy director from Municipal Affairs to assist in answering questions that might be related to municipal affairs.

So, Mr. Chair, those are the people that join me.

**The Chair:** — Thank you very much, Minister. We will now consider clause 1, and I call upon the minister if he has short comments regarding clause 1.

**Hon. Mr. Krawetz:** — I will keep my comments short rather than going into a full explanation about the need to address the two Bills that are before . . . You have already made mention to the fact that we're dealing with two Bills that are before the committee — Bills 89 and 90.

Bill 89, of course, is *The Education Amendment Act* and it's going to put in place the direction that the government has taken, that new direction that will ensure that there is a reduction in education property taxes, so the legislation changes are centred around that. We will ensure that the province has the ability to cut and cap the mill rates, and we're putting in place the changes that will ensure that government has the ability to do that.

We're also ensuring, Mr. Chair, that the minority faith, the constitutional rights of the minority faith school divisions to levy taxes is still going to be maintained, but we're also going

to stress, Mr. Chair, that the governance structure, the ability for a school board to collect taxes in fact is not just an ability, it is mandated. The board of education will be the collector of the taxes that will be set by way of a mill rate by the provincial government.

So those are things that we're going to deal with. Obviously the short-term gap was filled by a rebate program that has been in place for a number of years, and that is why we require Bill No. 90 which is the miscellaneous statutes (education property tax) repeal Act. And what this does is it supports Bill 89 where now we are going to be implementing a structure that the government sets as far as the mill rates, and we need to have changes to the certain sections of other Acts that will enable us to dispense with the rebate program because it won't be needed anymore because the changes have been made.

So, Mr. Speaker, with those initial comments about the two Acts and as to why we need them, I'd like to proceed directly to questions and discussion of the Bill.

**The Chair:** — Thank you, Minister, for your comments. Do members of the committee have questions for the minister with regards to Bill 89? I recognize Mr. Wotherspoon.

**Mr. Wotherspoon:** — Thank you very much, Mr. Chair, and thank you to the minister and ministry officials for offering their time here today to answer some questions on Bill 89.

Looking at this Bill and the many changes that it brings to education, just as a very broad question, I would like to ask the minister what specific changes he sees that this brings in the way the boards operate — some of the changes to what they've historically managed and what changes this brings and what changed processes are as a result.

**Hon. Mr. Krawetz:** — Thank you, Mr. Chair, for that question. The officials that I have with me today — my deputy minister and assistant deputy minister — have travelled immediately after the budget was presented. They have travelled to all school divisions. They have met with all 29 boards of education to answer that very question that the member has posed, because there was concern. There was concern by individual board members that, you know, their autonomy and their ability to govern was somehow being challenged and, Mr. Chair, that is not so.

The governance structure and the ability of the board of education to ensure that the local needs . . . that the local direction continues to be met. And we have worked with the boards of education and explained that to the boards of education, that this is not a governance restructuring as has been the case in the past.

Now there have been numerous times that there has been restructuring and, you know, the criticism of education, Mr. Chair, has been that there hasn't been change — that education is operating the way it used to. Well I can tell you, Mr. Chair, that that is just not so. And people in especially in the rural parts of Saskatchewan, they understand that there has been change. They understand that there have been numerous changes. And I have used this example where, you know, my

wife has just superannuated as a teacher after 36 years and she has worked for four school divisions over the course of her 36 years and, Mr. Speaker, she never left the community. She continued to teach in the same school, but it was four different school divisions. So that tells the people of the province that we have had change.

The governance model of boards of education . . . There was criticism a number of years ago when the larger amalgamations took place that that local board member was now not at that community level and in fact, you know, the area, the subdivision that a board member represents now in the larger boards, is a pretty huge area. And there was criticism that, oh that was a way of taking away the power from the local community.

None of that has changed, Mr. Chair. The governance structure and the ability of the boards of education to make direction within a sound financial plan that we're going to work with each of those boards remains the same.

**Mr. Wotherspoon:** — Thank you, Minister. Quoting from today's *Leader Post* May 7, 2009 from a letter to the editor, I quote:

The decision to demolish Scott was made by the Wall government when our taxing power was taken away, and the government declined to pay the extra. Regina public school system voters are no longer able to make and fund autonomous decisions affecting the education of their children, a power enjoyed since the city's founding. Trustees now impose the fiscal dictates of the provincial government of the day.

I guess I'm looking for the minister's response to that statement.

[11:30]

**Hon. Mr. Krawetz:** — Sure, love to, love to. Thank you very much for introducing that comment. The comment is by John Conway, a member of the Regina public board of education, who has made numerous comments about the direction, the so-called new direction of the province of Saskatchewan when, in fact, we are joining seven other provinces, Mr. Chair. The funding method that we have implemented is the same as in seven other provinces. So I guess Mr. Conway's position is that the decisions made by seven other provinces in the past was wrong, and he is the only one that's right.

You know, Mr. Chair, the comment that the government closed the Scott Collegiate or is going to allow for the demolition of Scott Collegiate, that's interesting for a board member who has been there a long time to make a comment about a closure of a school that is in the purview of the board of education. The board of education determines the locales of school. It determines where a program is delivered and it determines its capital plan.

So for Mr. Conway to believe that now is just a horrible time to be a board member, I guess this offers . . . The very fact that this is the year 2009 offers Mr. Conway the opportunity . . . If he feels that the education system has fallen apart so

dramatically, I guess Mr. Conway will probably choose not to run for the board of education this fall and allow other members who understand the need to move forward, to understand the need that the education budget is going to be developed co-operatively with the board of education and that we're going to trust the board of education to deliver quality education — not just here in Regina, not just in Regina public, but across the entire province.

And we've had great meetings. My officials indicate to me that the meetings with the vast majority of trustees has been very productive. Yes, there are concerns. There are concerns about the fact that now the budget will have to be presented to the ministry. But, Mr. Chair, I would imagine that people in the province of Saskatchewan who understand that the provision of monies now to the boards of education is going to be like the health system, where there is no ability for the health regions to access property tax. And similarly now, even though property taxpayers are still going to be contributing to the cost of education, the Government of Saskatchewan will be making that choice.

So Mr. Conway is just wrong in suggesting that our government somehow demolished the school. We're going to work with the Regina Public Board of Education to develop a sound, capital policy for this city like we are with so many other divisions.

**Mr. Wotherspoon:** — It's unfortunate, I think, that the minister would be so dismissive of the comments and in fact cite a specific individual, Mr. John Conway, who has certainly served public education particular to Regina and has had roles that have reached far beyond, to take sort of a bullying and demeaning tone with regard to Mr. Conway's service with school boards and whether or not he should continue into the future and offering, I guess, implicit advice that he shouldn't continue on in that role.

I think the one thing that certainly should be made clear to everybody at home and everyone that might be watching here today, and certainly to many other school board members, is that John Conway is certainly not on an island of his own with his beliefs and concerns around school boards having their revenues collared and constrained and dictated to by the province. So when the minister takes a very dismissive tone as if Mr. Conway lives alone with those thoughts, I think that dismisses many, many school board members across this province in urban school divisions and on our rural school boards.

I'd like to share a comment or some quotes here from the STF [Saskatchewan Teachers' Federation] *Bulletin*, April 15, 2009. I quote:

"I can't help but wonder what the effect is going to be on boards as they have lost the ability to raise funds independently and autonomously. We'll have to wait and see if boards are going to be constricted by limitations on funding by the formulas that will be developed."

I continue further on in the article. I quote:

"There is a real need for detail and for us to be involved in developing the new model, and we need to see how that's

going to work. We would be strongly opposed to any kind of conditional funding.”

Now these are comments that come from Dianne Woloschuk, president of the STF — specific questions being asked or raised there as it relates to, I guess, conditional funding and development of that model and the collaboration that the education sector’s expecting in the development of that model. I look for the minister’s response to these concerns.

**Hon. Mr. Krawetz:** — Two questions or two comments that the member has raised, Mr. Chair, and I’ll back up to the concerns that Mr. Conway and others . . . Mr. Conway has indicated his concern in the newspaper so it’s quite public. And Mr. Conway has raised some valid concerns in the past. There is a concern about whether or not the autonomy of the board has been completely withdrawn. And we’re hearing that from other board members, so I’m not being dismissive of the concerns of board members. Absolutely not. We need to work with them.

And that’s what we have promised boards of education — that we are going to work with them to determine some flexibility within the budgets so that that allows them to move forward. But, Mr. Chair, boards of education have by this time of the year set their budgets in the past. They’ve set it based on the government grant and the mill rate that they would set. So there is no, there is no ability or there was not an ability for the board to say after five months, well let’s go back to the taxpayer and raise the mill rate by another 2 mills. That’s just not how boards of education were allowed to operate. So that procedure hasn’t changed.

The concerns that boards have, of course, is that, will there be sufficient funds? Will there be sufficient funds to ensure that the board can deliver the proper education program? And I think that’s where the president of the Saskatchewan Teachers’ Federation, Ms. Woloschuk, is coming from as well. Because we have to ensure that there is a strategic plan put in place.

And definitely the Teachers’ Federation will be involved in that strategic committee that will be put in place over the next two years as we work to develop . . . I won’t refer to it as a formula yet because we’re not sure what plan it will take as far as ensuring what the dollar figure will be that will be transferred to each board of education as a budget.

So we’re going to work with the Teachers’ Federation. We’re going to work with the boards of education through the leadership provided by the Saskatchewan School Boards Association through their president, Mr. Challis. We’re going to work with them to develop a system that we think will best meet the needs of the people of the province, the students that we’re there for — I mean, that’s what this is all about — but yet at the same time recognize that the role that the property owner has played in the past of funding education had to be reduced, and it had to be controlled. And that’s what we’re doing. So we’re trying to balance that.

And it’s a very valid concern of the Saskatchewan Teachers’ Federation regarding how the plan will come together, but we can assure her and others that the Teachers’ Federation will be involved.

**Mr. Wotherspoon:** — Thank you for that answer. Many have referred to this Bill 89 as the centralization of power within education, or the sweeping, sort of a sweeping Act that centralizes the way that education is delivered in our province, and have significant concerns about the centralization of that power and what it means if any one minister or any one government wanted to drive fundamental or ideological change upon a system that we’ve been well served by.

And those concerns exist. A quote from the release from the Saskatchewan School Boards Association on March 18, I believe budget day itself.

“This is a profound change in the history of funding education in Saskatchewan,” Challis said. “Boards have historically looked to the property tax base to ensure they were able to meet the needs of their students and local communities. There will no doubt be anxiety about how this will impact the autonomy of school boards.”

This is quoting Mr. Roy Challis, president of the Saskatchewan School Boards Association.

So certainly the concern isn’t just about the roles that school boards play. It’s fundamentally about meeting the needs of students and local communities which is the most important goal that needs to be achieved in education. As it relates to meeting those needs, of course, funding is an important part of that. Right now we know that the ministry has engaged in consultations with all school divisions. At this point in previous years, the school boards would have a very strong understanding of what their financial circumstance would be for the next budget year.

The minister, I believe, has provided information that suggests that 1 to 2 per cent of the budget may not have been finalized — that would be the range, sort of, for most school boards — however, this seems to disconnect a little bit when this is discussed with school boards from around the province. It seems that we might not be narrowed down that far here yet, down to just 1 or 2 per cent of the budget.

So I guess my question to the minister is: is he accurate in this 1 to 2 per cent of the budget being all that’s left to sort of negotiate or to work with school boards to identify? And at what point will school boards know their actual budgets? Is this going to occur next week or tomorrow or a month from now? I guess that would be my question.

**Hon. Mr. Krawetz:** — For the specific answer that you are asking about individual boards of education — I mean, we’re not going to talk about individual boards, but — I’ll ask my deputy minister shortly to comment on general, regarding the 29 boards of education and how those first set of meetings have occurred. And in fact second sets of meetings are under way and we have financial officials working with the boards right now.

But one of the opening comments of the member, Mr. Chair, indicated that, you know, there was just this huge centralization of power to the ministry. The ministry — or as it used to be known, the Department of Education, Department of Learning — ministry policy, education policies are developed at the

provincial level. That has always been the case.

And when the ministry would and will decide on a direction, if it's a new direction of curriculum direction, if it's a new direction in terms of how boards of education are going to implement integration of services within schools — the SchoolPlus motto, the community schools, all of the kinds of things that the government, through the Ministry of Education, determines as a direction — those have always been in place. And they will continue to be in place.

So when a board of education, through the director of education, is given that there is a new policy direction, that this is the direction that the government wants to do — the implementation of brand new curriculum in whatever grades; I'll just give that as an example, science curriculum in three different grades — the direction is given through our regional directors of education, through the directors of education to the boards of education.

The board of education, we trust that they are now going to put in place the governance structure to ensure that at the school levels, the policy is carried out. The concern, I think, of many people is, well will the government be providing adequate funds? Well we know in the past, Mr. Chair, there wasn't adequate funds. Okay.

The actual costs of many things that were recognized in determining the grant under the foundation operating grant, those were referred to as recognized expenditures. Many instances, Mr. Chair, the actual expenditures of a board of education versus the recognized expenditures were out by as much as 10, 12 per cent. So a board of education then has two alternatives — not implement the program, somehow curtail its costs and provide less of a program, or pass the cost on to the taxpayer. Because that's the only other source of revenue that the board have.

Now we have changed that, Mr. Chair. We have changed that because now we're saying to boards of education, we're going to . . . There's music in the background. Mr. Chair, what we've indicated is that the school boards will receive the budgets by working co-operatively with the government, that we will ensure that a board, you know, some of the larger boards — and I know the member understands this, having been very involved in education for years, and understands the file very well — is that, you know, there are large boards of education, here in the city of Regina, for instance, a board that has a budget of in excess of \$180 million.

[11:45]

So there is a model that has been in existence for a school division board. They have the ability to determine programs. They are going to continue to determine which schools should close, which schools should open, what direction they will have. And that's what we're working towards. And the deputy minister and her team has been involved in that discussions, and I would ask Audrey Roadhouse to comment on the meetings that have been held over the past six weeks, eight weeks.

**Ms. Roadhouse:** — Thank you. Following the budget we did meet, as the minister has mentioned, with all school divisions

and have collected common themes that have come from them, as well as specific notes and questions. And then following our meetings, we've actually now sent out a letter summarizing those and answering as many questions as we can at this time.

And from April 27 to May 14, our education finance staff are meeting with all school divisions. As you know, each school division received a budget figure on budget day and now it's a matter of, are there any other initiatives or particular expenditures that perhaps have not been captured, and that they're looking at? And so those meetings are under way right now and we have promised that all school divisions will have a final letter to them regarding their final decisions around that by June 26. And so that process seems to be going very well at this time.

**Mr. Wotherspoon:** — Thank you for that comment. As you speak to the consultations that the ministry is currently engaged in up until May 14 with school boards to see if any other initiatives or plans haven't been captured within the funds that have been initially allocated, could the minister provide a response that would indicate whether or not at this point it seems as though the ministry is going to be able to achieve what school boards are requesting?

**Hon. Mr. Krawetz:** — A couple of comments there. And I'll ask again Audrey to comment on the initial reaction with each board because I haven't been there. You know, we're working with the board of education to ensure that something that may have been in their budgets, because as I've indicated to the member opposite and to this committee, I think in our series of estimate questions, is that for this year the budget is based on the actual budget of '08-09, plus the extra teacher costs that we anticipate because there'll be a new contract, plus 4 per cent inflation on all of the other costs. And again that's a ballpark number.

In the past, Mr. Chair, there has always been adjustments to grant transfers to boards of education — some are overadjustments ; some are underadjustments — because those things changed as well. Now we also know, some boards have informed us, that a program that they had in their budget in fact has ended and as a result the expenditure for a particular project that they had within their budget is no longer an expenditure.

So those are also the kinds of things that we're working with the boards to discover. It's not just always the board saying, well we want more money for this and more money for this and more money for this. It's also the fact that certain projects have ended. There's certain things are being deleted from the budget and other things are being added.

So I'm not prepared to put on the record that says, we're going to meet every desire of every board of education. No, that's absolutely not going to happen. Because like the boards of the past, they were limited by what the grant money was, and what they could realistically expect the taxpayer to pay based on the mill rates they would set. And that is what has governed education for a long, long time, and that is how we, I think, have arrived at a pretty balanced approach across this province in terms of the costs of delivering a complete education program within the divisions.

So we're going to continue to work with those boards to arrive at that. And I think while the deputy minister's indicated that our goal is by June 26, we think we're going to have all of that in place. And also for the public's benefit, the budget that is currently being worked on by the boards of education is their '09-10 budgets and that budget actually begins on September 1, 2009 because the school division budget is at a different year than is the government's budget which is April 1 to March 31 and the taxation year which is January 1 to December 31. Their fiscal year is September 1 to August 31.

So as the member has indicated, and I've already told him, that we, you know, we're very close on the budget, and if a board has already made probably 99 per cent of its decisions as to where it's going to go, interesting things happen to boards of education at this time of the year. There's always teachers who choose to retire, and they may be at the high end of the . . . Well not may be, they will be if they've been teaching for 30 years or 35 years. And they may be hiring a teacher who is just beginning his or her career, and they're coming out of university. They're starting at the lower level of the grid salary. So those are always adjustments that will take place.

We know that there has been a decision by a couple boards of education to close schools. And as a result, for instance the Horizon Board of Education has indicated that they are closing the Wishart School effective June 30. So they will have a change in their budget for next year based on the expenses that they will have eliminated as a result of that closure. However they may have to add a bus route or two to ensure that transportation of students occurs.

So this is, as I said, this is the governance model, that we continue to trust boards of education to deliver on the projects.

**Mr. Wotherspoon:** — On that note, does the minister have any announcements with regard to Chaplin or Morse at this point? I think we're very . . .

**Hon. Mr. Krawetz:** — Sure, I have an announcement.

**Mr. Wotherspoon:** — Very close to the date. Yes.

**Hon. Mr. Krawetz:** — I had the pleasure of visiting both Chaplin and Morse yesterday, and in fact I was in both schools with officials from the community, with officials from the two boards of education. Chaplin of course is in the Prairie South School Division, and Morse is in the Chinook School Division. I wanted a first-hand opportunity to actually see the physical structure.

So the application that has been submitted by both of these communities is nearing its final stages of consideration. And as the handbook indicates and our legislation indicates, that the minister has until May 15 to respond to the two applications. I will definitely be responding by May 15. I hope that it will be, you know, mid-week next week as to the two applications that are before the ministry.

**Mr. Wotherspoon:** — We know that those applications are incredibly important to those that have submitted those applications and that they've actually taken huge resources from the community, both human resources and financial resources.

In one case actually, in Chaplin, well over \$60,000 has been spent on that application. So I know that folks in Morse and Chaplin are eagerly anticipating the announcement from the minister next week.

The minister kind of, I guess, refutes whether or not this is a centralization of education through this Bill. There's a profound change that's driven through this Bill, and I think all one would have to do is look through the actual explanatory notes for Bill 89 to see the kind of dictatorial language that actually is within those notes.

And I'll just quote bits of it here to speak to a certain part of the provision: ". . . subject to any directive from the minister with respect to any outlined duty outlined in section 85." Moving on: "Indicates that the duties of the school divisions and the conseil scolaire are subject to any directive from the minister with respect to any duty outlined in . . . 86." Moving on: "Indicates that a copy of every forecast is to be sent to the minister." Moves on, speaks about the importance of ministerial approval and following ministerial directives. Well the list goes on and on here in many ways and it's . . . outlines reporting mechanisms.

Certainly we understand that these processes need to exist. It seems that there is a severe shift though in what's the relationship with school boards and the Ministry of Education is at this point. It seems that approval is now needed for establishing future plans of education as it relates to children in their own communities and the plans of those boards — specifically budgets and expenditures, asset purchases, divestment of assets, and to borrow money.

So I think that the minister should be cautious to dismiss this Act as not having a significant effect on the way that boards have operated over the years and the impact that that can create in not recognizing needs of local students. It has certainly been shared in many speeches, both by myself and members of our opposition, that it is of concern to us that when we see a significantly more dictatorial environment within education, that it's of large concern what direction a particular Education minister or government will take education in this province.

And we do believe that there's a lot of good, innovative, progressive education going on in Saskatchewan. There's work to be done, needs to still be identified. But it's a real concern to see someone be able to grab the controls of education and to offer a fundamental shift in how we address issues or challenges or needs in our province. So I guess that'd be a comment. Now I see the minister maybe would like to make a response to those comments.

**Hon. Mr. Krawetz:** — Thank you for that question, Mr. Chair. The member has raised some interesting concerns about the procedure of the future and how the minister and the ministry is now going to be made aware and questioned about a number of things. And I would suggest that if indeed the government of the province is going to be setting the mill rates and ensuring that the transfers by way of grants to boards of education adequately fund the boards of education, there's going to have to be a communication. There's going to have to be a good relationship between boards of education and the ministry so that we can work together to best understand what the needs are

at that community level, at that school division level, and to be able to address them.

You know, there are changes in terms of seeking ministry approval. That's true, absolutely. But the submission of an estimate by a board of education to the ministry is not new. The boards of education have always been required to do that. And once the board of education would set its mill rate — whatever it would be, if it would change — and the budget was finalized by a board of education, they would also submit that to the ministry so that the ministry would have an understanding about what is going on, what new initiatives are taking place in the 29 school divisions. So that's not different.

The only thing of course now that is different is that the relationship between the board of education and the ministry is going to begin before the budget is developed so that there is an understanding that this is the direction of the board of education. It may have changed from the previous year's requirements, and there may be a need to change the amount of money that is within the budget of the school division. So that's what we're going to work on.

And I would ask Christina to comment on the meetings that have been held with directors of education in trying to ensure that they understand the new process.

**Ms. Stanford:** — Yes. I met with the directors of education at their directors north and directors south meetings and went over all the legislation with them, explaining any changes in process. There's minimal, really, changes. We've tried to keep it as much like it was before as possible. They still send in their estimates. They still send in their final budgets.

On the other end, if they're making applications for a loan, they always made their applications to Saskatchewan management board. During this transition period, we're going to allow them to continue to do that or make their application to us because we're working closely with Saskatchewan management board to make sure that every application is dealt with. We've told them go ahead, use the forms from Saskatchewan management board as you have previously, if it makes it easier for them. We're trying to make this process simple and not complicate what they have to do or the processes that they have to go under.

[12:00]

I also met with the chief financial officers of the school divisions at the SASBO [Saskatchewan Association of School Business Officials] conference and went through the legislation for them as well so that they would understand if there are any changes that they needed to make. We're working with them to use as many of the same forms, not change the dates, just keep everything as it was as much as possible.

**Hon. Mr. Krawetz:** — Mr. Chair, if I might add, Mr. Chair, one of the changes — and we've had some discussion with municipalities as well through a meeting that I had with SARM [Saskatchewan Association of Rural Municipalities] officials — is that because boards of education are going to have to have a more accurate report on the taxation, and so will the ministry, we're now actually going to be asking municipalities to do a

little bit more.

And in fact we're asking municipalities that by the 10th day of each month — so that will be 10 reporting periods in a year — they're going to be submitting a full statement of taxes to the board of education and to the Ministry of Education so that we have, as a ministry, we have an understanding. Because if a school division is not receiving grant monies for a particular reason, the ministry has to know about that as well because we're going to be working with each of those divisions to have a full understanding of their financial position and how they're working through the budget that they've put in place. So we're asking municipalities to do a little bit more and to be, you know, more accountable and transparent at the local level.

And I guess the final comment that I would make regarding the minister's questions about why we're doing, why we've introduced the changes that we have in the Act is, you know, we know that we as a government, that the Ministry of Education through the Provincial Auditor, we will be held accountable. We will be held accountable for the dollars that we put in place for each of the boards of education.

So the process that we've put in place is to ensure that there is accountability, so that indeed if the ministry is transferring dollars to boards of education for particular programs, we will know through discussions with staff, through the discussions with the chief financial officer of that division, through discussions with the director of education or superintendents within that division, we will know what those monies are expected to fund. So that is the reason that we need to have a greater degree of assurance from boards of education that they are responding to being transparent and to being accountable to the ministry.

**Mr. Wotherspoon:** — As it relates to the Catholic school boards in our province and their constitutionally enshrined rights to access to the property tax base, and we look at the program that's been produced by this minister which allows Catholic school boards to raise mill rates, but then dollars would be reduced or clawed back from the provincial end. So in essence they'd be receiving the exact same amount of dollars as every other school division.

My question to the minister I guess at first would simply be, what concerns or response has he received from the Catholic section of school boards, and what has that consultation process looked like?

**Hon. Mr. Krawetz:** — Again, Mr. Chair, I'll ask Christina Stanford to comment on developing the form with the boards of education — all boards of education but very specifically the separate boards — because constitutionally the member is correct. We have enshrined the minority faith's right to establish and collect taxes if they so choose. We have put in place that this will not be advantageous financially to the board, and that's the process that we've put in place. If boards choose to do that, we've developed a series of forms. And I'll ask Christina to comment on that discussion and deliberation that is going on with those separate boards of education.

**Ms. Stanford:** — Certainly. We have a bylaw form. It's a requirement that the separate school board pass a bylaw at their



board of education to determine whether or not they're going to opt out or opt into the provincial rates. We've developed a form in conjunction with the separate school boards to ensure that it says what they would like it to say and to ensure it meets our requirements as well. They are required to send this in on an annual basis to let us know what their plan is. To date my understanding is that we have not heard that any separate schools are going to opt out, but we have to allow for that provision.

**Mr. Wotherspoon:** — Is the minister concerned now or going forward into the future with a legal challenge from Catholic school boards, and, I guess, what due diligence could the minister assure us has been done from a legal counsel end?

**Hon. Mr. Krawetz:** — My officials inform me that we've worked with them to develop the position that we have right now within the Act to clarify it so that they understand it. The officials indicate that there is nothing of concern at the moment. That is not to say that there may not be a concern in the future. And that is why we addressed it in the Act, Mr. Chair.

A little bit different than other provinces have done. We wanted to ensure that that right is maintained and that is why we've built it into the Act. And whether the separate board chooses to do that, as Ms. Stanford has indicated as of this morning, we don't believe that any of the separate boards of education in the province are going to take advantage of this, this year.

**Mr. Wotherspoon:** — A question more around getting back to actual budgets of school boards. Once each of those school board budgets are achieved by June 26 of this year, are school boards guaranteed the total grant calculated by the ministry at that point? As we look at some of the concerns around tax abatements or tax appeals, dollars that boards will need, I want to make sure that they won't impact the total amount of money received by the school boards as it would be concerning that it wouldn't be fair if this was otherwise.

**Hon. Mr. Krawetz:** — The budget that will be developed by that time with the board of education will be that it will be the budget for '09-10 for that particular school division. There will be monthly reconciliation that is done. That's why we're asking municipalities to assist in that reconciliation so that we have the information, the most up-to-date tax information. But there are a number of things that also change a board of education's costs throughout the year. They may see a dramatic change in enrolment and that may change the costs.

So as I indicated in one of my previous answers — I guess that answer was this morning and now we're in the afternoon — but this morning I made the comment that, you know, there are always under and overadjustments to the amount of money that boards receive. And that's based on changes that we don't know about, the board of education does not know about. And we're going to work with the boards throughout the entire year.

But the budget that is going to be developed and determined is the base that is the guarantee for that board of education as per the anticipated costs.

**Mr. Wotherspoon:** — Student population, I guess, looking at student population as it relates to funding and typically school

boards, the number that's of course very important to them is that number at the end of September dictating on how funding is going to be provided.

My question to the minister now that I guess that funding model is no longer in existence here right now, I'm wondering how funding may change when student numbers increase or decrease, and what sort of . . . Will there be opportunities to enhance funding throughout the year or will there be decreases in funding throughout the year? And what sort of a reporting process would that look like?

**Hon. Mr. Krawetz:** — Because we're developing this new model for this year, which in fact may be different than what that final model is going to look like two years from now, but for this year what we're looking at developing with all boards of education is that if there is an emergent need — and I think that's what the member is getting at — if there is an emergent need because there's a large number of students that suddenly move to a new community and cause the enrolment of a board of education to rise dramatically, we will address that with the board. And that's why then there will be an adjustment, be it based on that emergent need.

So we're going to work with the board of education to ensure that those new costs that they don't anticipate, if they're going to be introduced partway through a fiscal year, we're going to have to address them. That has happened in the past as well, where boards of education would ask that a grant be adjusted because of changes based on student enrolment or based on program. And we'll do that. Transportation is one that used to follow that based on number of kilometres of transportation. So those are the kinds of things that we're going to continue to be involved with with boards of education to ensure that if there is an emergent need, there will be an adjustment.

**Mr. Wotherspoon:** — Just to make sure that we're clear, and I understand, I understand from those statements that there's the opportunity for school boards that have grown in student population to be looking at some emergent funding to address those needs. Am I clear from the minister that school boards that I guess have a decline in students from what's estimated and budgeted, am I clear from the minister that there will not be a reduction in the funds that are established on June 26 of this year, June 26 being the goal?

**Hon. Mr. Krawetz:** — Because school divisions plan for a budget that is going to be, you know, beginning on September 1, they're anticipating costs. And teachers are put in place and the structures are put in place, and they develop their budgets with our team to ensure that that's put in place. So if there's a dramatic shift and for some reason students don't arrive at a particular school and there's a reduction, that won't adjust the budget. Because, you know, in many instances, and I know from my past experience, you may have a particular school that, you know, had an enrolment of 150 students, and now it's down 20 students on September 1.

Basically if you look at the ratio between the number of students to the number of teachers, 20, 25 teachers should have meant that you would probably reduce one teacher. It's just not doable in a school if there are 20 student less count but they're distributed over 8 or 10 grades. And now the class that used to

have 15 students now has 13 students in it — still needs the teacher; still needs the building to be heated; still needs all of the materials.

And that's been a concern of boards of education for many, many years because when you start to look at the numbers, the enrolment numbers only, to determine how much dollars are transferred to a school division, sometimes it doesn't recognize that a board of education faces some significant change in enrolment but it hasn't, you know, been able to significantly adjust its expenses.

So I'm sorry for that long answer. But the answer to your question is, will we take away money? The answer is no because the boards of education have a budget set.

**Mr. Wotherspoon:** — The minister spoke a little a few moments ago about emergent needs and, I guess, emergent funding or emergency funding that then could be provided. I guess my question would be: in what circumstances and what process would school divisions access this funding — the process and purpose around this? And I guess would this then be sort of contingency fundings? Is there going to be contingency funding in place so boards don't need to continually return to the ministry back and forth to negotiate dollars that are needed? I guess just what's this process around contingency or emergent funding needs — purpose and process?

**Hon. Mr. Krawetz:** — The process of establishing an emergent needs kind of situation where it would be built into a budget as that need develops is just that. And I guess probably the best example is in the area of the physical capacity of buildings. We don't know that the boiler in school X is going to blow up on December 20 and stop working.

So within the facilities and planning section headed by Margaret Ball, we have that kind of contingency fund, emergent fund, that the board will have to access because there is no ability then for the board to change its taxes because it never could do that before. It couldn't change its source of revenue other than by coming to the ministry and explaining its concern and being able to adjust for that.

[12:15]

So that is the position that was in existence in the past, and that's the position that we're going to continue to maintain, that when something of an emergent factor occurs that is expensive . . . I mean the boards of education all have some flexibility in their budgets regarding smaller amounts of money that they're not going to have to come to the ministry on every expenditure. And that's a concern I think that was expressed to the team of officials that travelled to boards of education is, as we work through the next two years, they've made the suggestion that maybe we should have a bit of a contingency fund, a flexibility fund built right into the budget that says a certain amount of money is put into the budget for contingency flexibility.

So that if the board of education decides that in the mid-year, for a start of a new semester, because of program changes that there is a need to address the hiring of another teacher because something has changed, they will have that flexibility. And

that's what we're going to be looking at. For the interim, for this year, the emergent funding is the process that we're going to employ to ensure that a board of education can address those concerns.

**Mr. Wotherspoon:** — I guess getting at these questions, I'd certainly like to place on the record that this is some of the concerns that the opposition holds and I think it's important. Certainly we'd like to state very clearly that to be able to recognize the needs of boards is important, and a model of contingency funding is very important in doing that.

A question on surpluses that may occur in '08-09, this current year. If there's a surplus from a school board, will those dollars then be deducted from the grant from the ministry that's being formulated in late June of this year?

**Hon. Mr. Krawetz:** — The fiscal year for the board will end on August 31. And maybe some of them have built into their budgets, in fact, that they will have a surplus and that's the sign of a board developing a good budget. The short answer to your question is no. There will be no, you know, clawing back or removal of any surplus.

And there are two kinds of surpluses that may occur. One is on the operating side and the other one is on capital side. For capital surpluses, if indeed projects have come in under budget and they have some additional capital monies, those will remain within their capital reserve accounts.

If there's an operating surplus because things, you know, have gone better than they anticipated or maybe there was a projection that they would have a half a million dollar surplus and they've achieved that at the end of August 31, that again will be left within the operating accounts of the school division.

**Mr. Wotherspoon:** — Thank you for that answer. As it relates to potential deficits for '08-09, will the ministry be funding these potential deficits?

**Hon. Mr. Krawetz:** — Interesting information that my officials are conveying to me in our visits, Mr. Wotherspoon. We are finding that some boards do anticipate a deficit budget, that they may end up on August 31 with a deficit budget, and that will be something that the ministry will be incorporating into its budget structure. And maybe that's a good reason why we have to have submission of budgets to the ministry before they're approved based on the system, because we need to ensure that there's accountability.

Now if there are unforeseen concerns, as we talked about the emergent fund, those will take care of things in due course. But we need to know that in fact it isn't the intention of a board of education to have a deficit budget. So we're going to work with boards. We're still finding out some information. We don't have all of the information yet on deficit budgets for all of the 29 school divisions.

And by the way, not all are going to have deficit budgets, because we will have on-budget, we'll have surplus, and we'll have some deficit, I guess is the mix.

**Mr. Wotherspoon:** — Thank you for that answer. And I guess

it highlights why it's going to be so important to get sort of the plan and process in place here as soon as we can. And that's certainly been much of the criticism, or a big part of the criticism that we've brought forward is that we've had this fundamental change in that, some ways, there's been many things that haven't been planned for, and just concern around the capacity of the ministry to make sure they're able to meet the needs of school boards in this very dynamic time.

Looking at something around sort of the collection, I guess, of tax dollars, has the ministry looked or are they looking as you go forward to changing how tax dollars are collected? It's been shared that how dollars flow to school divisions, collecting from municipalities can be a very arduous activity that takes significant resources when you have school divisions that encompass many, many municipalities.

Certainly this is done differently in other jurisdictions. In Manitoba, there's a separate entity that's set up to collect taxes when it's for this purpose. And certainly in Alberta, it's done actually provincially. I know that school boards themselves have shared and are in favour of a more direct, even just requisition system that they see might be a simple enough change. I'm just wondering, as you look at some of the changes coming forward, if this is within the scope of potential changes. It's certainly one that has been shared, I think more specifically by many of the financial officers and school boards as a concern for them and something that they're hopeful might be rectified through this process.

**Hon. Mr. Krawetz:** — Thank you for those questions. And there are a number of questions there, Mr. Chair. And I'm going to let, shortly I'll let my deputy minister Audrey Roadhouse talk about the increase to the personnel, the HR [human resources] personnel within the ministry, and how we're going to take care of the anticipated workload in a number of areas in both capital and in this new process.

I want to make a couple of comments about the change that we've implemented and the fact that we are still going to follow the model that says that the municipalities will collect the tax on the behalf of the school division and then forward that tax. It's a little different in that the mill rate that we're going to set is going to be set by the province. And we've already set those mill rates not only for this year, January 1, '09, but also January 1, 2010.

There has been discussion whether or not the future will produce a change to that. As the member knows from reviewing Mr. Reiter's report, the recommendation there was that there be a provincial tax put in place and that the province would collect the tax directly from landowners throughout all of Saskatchewan. And that is not the model that we've implemented at this moment. Whether or not the province moves in that direction is something that will be reviewed as we move forward. But currently we're relying on the municipalities to collect the tax that has been set by the government.

Now there's a couple extra things there. Municipalities used to be able to implement mill rate factors on the school division mill rate. Yes, they are still able to do that on their own municipal tax levy and their own municipal mill rates. They can still make use of mill rate factors. But the process — and that is

why the Act has those changes as well — is that we will not be allowing municipalities to use mill rate factors.

So now there will no longer be the situation that existed in some municipalities where a commercial mill rate factor of 1.3, 1.2 . . . There were many different mill rate factors that were used where they would enhance the mill rate for commercial properties and then use a mill rate factor of less than one — something like a point six or a point seven or a point eight. And that occurs all across the province. It's not just in agricultural, and I'm . . . because I'm making the reference to agricultural properties. City of Regina has used a mill rate factor to change the commercial mill rate as well as the residential mill rate.

So what we have implemented is that the mill rate will remain the same. So no matter whether that residence is in Invermay, Saskatchewan — a little town that I call home — or here in the city of Regina, the residential mill rate will be the same. It will not have a mill rate factor put on it.

Now the member mentions, you know, the collection and potential arrears that might occur. And again the new system will mean that the owner of a piece of property, if they are in arrears for the taxation year that we're in right now, the arrears will be to the province of Saskatchewan — okay? — which is different than what it used to be before.

So there are school divisions in our analysis of school divisions and their current financial positions. There are arrears owed by municipalities, whether they be rural or urban, to particular school divisions on behalf of their ratepayers. If those arrears are to be collected by the municipality and forwarded to the school division, they will be the revenue of the school division. That will not affect their budgets in any way.

What we're looking at doing though, Mr. Chair, as a province now, we will be working with Municipal Affairs and others to ensure that we develop a strategy that ensures that taxation that is levied by the province through the mill rate that we've incorporated will put in place plans to deal with arrears if they happen.

Now I'd ask Audrey Roadhouse to make some comment about the employees. I almost forgot. Sorry.

**Ms. Roadhouse:** — Thank you. As you know, through the estimates process we received a number of positions in Education, and many of those of course went to Ed finance, to resource that area very well. So we received nine positions there, plus we have some other policy positions in order that we can really move this forward. So we're actually really pleased with the degree to which we've been supported. And many of those positions are well under way — some have already been staffed — and we got going right away as of April 1.

**Mr. Wotherspoon:** — Thanks for that answer, and of course that's an incredibly important task before the ministry, so it's important that that capacity is there to meet those challenges.

As it relates to property levies and provincial parks, could the minister explain the challenge that exists in this circumstance, and what, if anything, what actions they're taking to respond to these challenges?

**Hon. Mr. Krawetz:** — That question is the million dollar question — maybe more. We know that in the province of Saskatchewan that has been a dilemma that boards of education have faced for years and years and years. It has not been resolved through the changes that we have made.

The member is correct that homes, residences that are on provincial park property, they pay a levy for the property that they build their home on. There is no assessment of that property so therefore there isn't a tax that's levied on that property. And therefore there isn't an amount of money that will now end up in the hands of the boards of education through our tax system.

[12:30]

So we recognize that this is a concern, and we're going to be assessing this concern. As I've said, it's been around for a while, but there is no solution at present as to how we're going to deal with that.

And that is why there is quite a bit of, there's quite a bit of — I won't say animosity — but I guess it's a degree of concern by property owners, especially an owner who owns property just outside a park boundary. And they have a particular home that's assessed at \$200,000, and they're levied a property tax levy that we've just levied. And then on the other side, within the park boundary, is a very similar home that doesn't pay an assessment-based property tax.

**Mr. Wotherspoon:** — Thank you, Minister. Was I wrong — at the SSBA [Saskatchewan School Boards Association] assembly here this spring, in one of the minister's responses — to believe that he had expressed that there would be a plan in place relatively soon to address this challenge? And I'm giving the chance, sort of the benefit of the doubt to, I guess, justify that answer. I took it that day, as I took my diligent notes, that the minister was going to have a plan in place sometime soon.

**Hon. Mr. Krawetz:** — I'm hoping that I didn't mislead you, Mr. Wotherspoon. You know, relatively soon means that of course we're working on it already. My officials are working on it. And we're doing an assessment of the numbers of properties. We're working with Saskatchewan Assessment Management Agency as well to try to determine what occurs outside the park boundaries but near park boundaries. So it's under way.

Now if I implied that relatively soon meant during this sitting of the legislature which, of course, ends next week, no that's not going to occur. I'm hoping that as we work through it and try to figure out what our options might be, that that is some time in the not-too-distant future. But I have no specific timetable that says that by a particular time within the next month or two or three that we'll have potential solutions. I cannot give it that, and I'm sorry if I implied that that was there.

**Mr. Wotherspoon:** — Thank you, Minister. I don't know if I have new confidence in the proposed rapid response plan from the Minister of Labour or if this . . . But anyway I was trying to be funny when I should be completely serious here.

And looking specifically at the city of Lloydminster — and we have amendments that will be tabled here today that addresses

some of the circumstances there — as I understand, they're assessed sort of through the Alberta model, and so we have some changes to address those implications.

I guess my question to the minister would be: what implications would exist if the mill rates aren't differentiated as proposed by the amendments?

**Hon. Mr. Krawetz:** — I'll explain the situation with Lloydminster a little bit. And you will recognize, Mr. Chair, and committee members will recognize that we have a House amendment before this body today dealing with the clause that requires us to deal with Lloydminster in a little different fashion.

And the member is right. The Alberta model is that they have an annual requisition based on an annual basis. So Alberta changes its assessments annually. The province of Saskatchewan, we're just doing reassessment and we do that every four years — and in fact it's based on 2006 already. So we're trying to blend reassessment that takes place once every four years in the province of Saskatchewan with an Alberta model that is an annual revision.

As has always been in the past, the mill rates that have been set for the city of Lloydminster, for the properties in the city of Lloydminster both on the Alberta side and the Saskatchewan side, have always been different than the mill rates set, and that is the reason for that.

So the public board of education and the separate board of education in the city of Lloydminster, we're working with those two boards to determine the same thing. We know what we will be providing to them in the way of the grant. Or actually the opposite way, we know what we're going to be receiving in the way of taxes from the properties. And as a result, we've then added to that mix the amount of money that is going to be built into their budget provided by the government grant.

Now we're working with the city, and we're going to be working with the boards of education as well, to determine on the same basis that we are assigning the property taxes to residential, agriculture, commercial in all of Saskatchewan . . . We want to be able to put in place a mill rate, set of mill rates for those properties in Lloydminster that will be pro-rated in the same way, and that is what we're working with right now.

We're very close to establishing those mill rates. Those will be established, I think, probably within . . . And again you can probably hold me to this one, Mr. Wotherspoon, is those will be established within the next couple weeks because we're working with the officials. My officials have been into the city of Lloydminster a number of times, and they've already established very, very closely what those mill rates will be. But that's the reason, is that the Lloydminster charter requires us to work with sort of an anomaly here in all of the rest of the province of Saskatchewan.

**Mr. Wotherspoon:** — Has the minister received concern, as it relates to the commercial property tax base and small business, that commercial rates are significantly higher than residential rates?

**Hon. Mr. Krawetz:** — No, I haven't received that concern that the small business feels that they're being, you know, I guess mistreated by the fact that they're asked to pay a mill rate of 12.25. And again I'm referring to the small business as one whose assessment is less than \$500,000.

What we have heard is that from some of the larger commercial properties in the province of Saskatchewan is that the tiers that we're implementing for this change is that you will have a specific mill rate for the first 500,000 less a dollar, that you will pay a mill rate based on that value. And then for the next increase, from 500,000 to 6 million less a dollar, you will have a middle tier of assessment, and that will be 15.75 mills. And then for properties in excess of \$6 million assessed, they will have a mill rate of 18.55.

So what we've heard from the larger commercial properties in the province of Saskatchewan is that they don't like the tiers. They want to be, you know, equal. However in this situation the large one will benefit from the first 500,000 being taxed at 12 mills . . . [inaudible interjection] . . . 12.25, I think is what I said, and I believe that is correct. So they will benefit from that. And then their next assessment will benefit from the 15 mill rate and then finally the 18.

They understand that of course the commercial mill rate factor is not there, so in many instances where the mill rates were enhanced to 26, 27, 28 mills using the mill rate factor, they won't have that. However they see it not from comparing themselves to the residential properties, as you've indicated. They're just saying that all business should be treated equally. We shouldn't, I guess, penalize a firm just because it has a larger assessment.

**Mr. Wotherspoon:** — Thank you for that answer, Minister. Shifting gears a little bit here, we've discussed through estimates or I've expressed some concern as it relates to locally negotiated aspects of school boards' contracts. Such examples would be the locally negotiated teacher contracts — link agreements. And I've certainly expressed that it seems that you're asking boards to bargain in not great faith when they don't in fact control the revenues that will pay for those contracts.

So I know at that point that the minister had expressed that he doesn't see significant change in how locally negotiated aspects for teachers will change as they go forward. I just don't quite understand how that can be the case. It certainly seems to be a very challenged environment — to go bargain when the person you're bargaining with or the people you're bargaining with don't control the revenue side of that equation. So I'm not necessarily looking . . . unless I've shared comments that weren't correct there, and the minister said that he doesn't see any changes in how that's going to operate.

The other aspect that I highlight here — the professional education workers who are also negotiated locally — same challenges exist. And I know that this minister was quite strong, I believe, in commitments to exploring professional education worker provincial bargaining prior to election in 2007. I'm wondering if, at this point, if the minister's looking at any movement or progress on that file.

**Hon. Mr. Krawetz:** — Two or three comments. One, you're right; we're not anticipating any change in direction from enhancements that may occur to a locally negotiated contract. We believe that the contracts will be negotiated in good faith, that the board of education will determine whether or not there needs to be changes to their locally negotiated contract. And if there are additional expenses because it's been a negotiated contract done in good faith, those will be recognized by the ministry, so that hasn't changed.

The other things that will occur within the framework of negotiations at the local level will also be recognized, whether we move to anything different than currently exists, with negotiations regarding support workers. And we have different boards of education involved as well. There are situations where boards of education do not have unionized workers. There are other boards of education that have all employees, whether they be bus drivers or teacher assistants or janitors, they are also all within a particular union.

So there has been no commitment to change yet. Yes, we've had many discussions with different members of different unions regarding whether or not our government will look at some changes, and we will continue to have those discussions.

**Mr. Wotherspoon:** — As it relates to school closures, it was, you know, just a year ago that the minister introduced some changes around school closures and his new schools of opportunity, which we are seeing sort of play out here this year in the weeks to come. But certainly when the minister does, I guess, control the purse strings of education in a much more direct way, I guess, does the minister plan on taking a larger role in keeping schools open, or a more, I guess, dictatorial role in this process of schools of opportunity? Is this the endgame as far as where you are going to be able to meet the challenges of school closures for communities? One would argue that, with school financing now completely under your purview, that school closures are your responsibility.

I guess, to the minister: is there going to be any changes in how school closures and supports for communities will unfold?

**Hon. Mr. Krawetz:** — The answer to your last question is that there is no change in how boards of education will evaluate the school. And that procedure still rests with the boards of education, and we've had school boards who've passed motions of closure this year. I've already indicated Horizon board of education, Chinook board is this year. In fact the reference to Chaplin is not a new resolution because the Chaplin resolution was done by the Prairie South School Division before this year.

So boards of education will continue to make those decisions, and they will make those decisions based on the delivery of education within their area that they are responsible for. We have tried to put in place, through our changes to the Act and to our guidelines that we've identified, is enrolment numbers. And boards of education have decided this year that a particular school who has fallen below the required numbers that we have implemented, they have indicated that they are not placing that school under review. And that is still the decision of the board. So that board will continue to determine on how best to meet education needs.

[12:45]

We have schools of necessity where, as distances between the nearest, closest school, as those distances become larger in some instances because some schools will close and those distances become larger, we will be looking at, through our funding mechanism, of recognizing schools of necessity.

So the overall guidelines are there for a board of education to follow. They will determine by way of a review that has been extended and must begin by October and allow people greater input and greater ability to influence the decision of the board of education.

Now once the board of education has made that decision that a school shall be closed, it will be that. It will close. However if a community decides that they believe that they are a community of opportunity, thus they believe that the school in question within that school district is going to become a school of opportunity, they have the right then to submit an application to the ministry that has to be dealt with by May 15.

And we've made reference to the two applications that have come forward for this year. They are the communities of Chaplin and Morse, and those schools of opportunity applications are being reviewed by my ministry officials. That's why I travelled to both Morse and Chaplin yesterday to actually, you know, go through the school building itself and to find out some interesting concerns.

You know, I read the report on Morse pretty thoroughly, and I'm making reference to a study done by Figley and Associates and others, where they actually were assessing the building and said that in order to go down into the crawl space, all people had to put on masks.

And in fact that happened to me yesterday. I had to put on a mask. I had to put on covers onto my shoes before I was permitted down into the boiler room area. If I was to go into the crawl space area which I didn't — I had other plans; I was in my suit — I would have had to be completely garbed. And that is the position right now within that school. So I wanted to see whether or not this was, you know, something that was real in the entire building.

So I did that tour, and I travelled throughout that school and visited both Morse and Chaplin to get a better understanding of what now we might be doing in assessing the school, from my perspective, the ability for the school to exist as a viable facility. And then now we're assessing the information that has been put forward before us by the community about its business plan, its economic growth plan.

But above all, what is its enrolment growth plan because if there isn't an enrolment growth plan at the end of . . . And we've already amended the legislation that says at the end of three years, if a particular community is applying to become a K to 12 school of opportunity, and our ministry says yes it is a school of opportunity, by the end of the third year, a K to 12 school must have 88 students in it. If it doesn't have 88 students, it closes as per the direction of the board of education today.

So those are the things that are being reviewed by my ministry right now, based on those two schools. And I've already mentioned that Wishart School, the community of Wishart has not applied to be a school of opportunity, so the process that the board has made is to close that school effective the end of this school term, and it will close.

**Mr. Wotherspoon:** — I think that this concludes many of the questions that we'll ask in this forum. I know that we've had many hours of debate within the House and also many hours actually in committee, both in the estimates process and then here.

We have had significant concern about a fundamental change that went on or that has gone on and is going on with how education's funded in our province. We were very concerned with the lack of consultation that led up to this change. We continually are concerned with the ability of the board and the lack there of a plan to address the needs of education. It comes down to adequate funding to make sure that the children in all communities in this province receive the highest quality of education that they deliver, that equity's ensured. And we have lots of concerns.

And there's many, you know, there's still many things yet to be decided as school boards' final budgets aren't going to be finalized until late June here. There's many strings to be played out in the short term. And then there's those concerns into the long term. As we do look at these changes and this legislation, we do see a sweeping centralization of education in our province.

And I've expressed on numerous occasions, and I won't go into length here today, but just that we are very concerned that one individual and one government can have an absolute profound and fundamental shift to education in our province is disconcerting; that if somebody was driven by ideology or driven by a direction that wasn't consistent with that of the education sector, they could simply drive that. And certainly the minister's alluded to the fact that ministers of Education have always had authority to make direction in the field of education or in the sector, but the changes that have occurred have given all sorts of more and more significant power to the Minister of Education.

And it's certainly not going to just be this Minister of Education that's going to be in that driver's seat, and certainly not just this government. But in the short term, it's really important that this ministry respond to the needs of local communities and of children and meet those needs of school boards, the plans they have in place to do just that.

And we'll continue to consult and raise concerns as we go forward. But I really, at this point, appreciate the time that the minister's provided this committee, and certainly ministry officials who have offered many, many hours to this spring session. So thank you very much.

**Hon. Mr. Krawetz:** — Mr. Chair, you know, the vast majority of your comments just now, Mr. Wotherspoon — I won't say all of them because I do disagree with some of them — but the vast majority are bang on.

There are concerns. There are people who believe that this is a dramatic change that is going to cause confusion and uncertainty. And I've used that in my speeches when I talk about the person who confronted me and said, well you've made such massive changes to putting money back in the hands of property tax, but how are you going to fund the schools by making such drastic cuts? Because they didn't understand that there's been a change.

So you've raised many, many good points. And I also have indicated that over the next two years, this will not be an easy procedure — for my ministry officials, myself, or anyone else who may be in the position of being the minister of Education — to develop a system whereby we can be assured that we have adequate funding for boards of education and the provision of a quality education in this province.

We're proud of our education system. I think that's a universal answer in this province by so many people, that we have a good education system. We need to continue to see it grow. We need to continue to see it being enhanced. And it has to be a priority of every government — not only this one, but of every government in the future and every minister of Education. And that is why we've introduced some of those changes to alleviate the concerns of owners of property.

But also we recognize that we're going to have a task ahead of us for the next two years, and we look for co-operation with all people involved in developing this. And I too want to thank all committee members, including especially the Education critic for the New Democratic Party for all of the questions over the last while because they're asked with, I think, the best motive in place and that's to ensure that quality education is there for our students.

**The Chair:** — Thank you very much, Minister. Are there any other questions for the minister from any committee members? Seeing none, we will proceed to vote the Bill. I would like to advise members of the committee that this is a bilingual Bill. All clauses are written in both official languages, English and French.

Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That's carried.

[Clause 1 agreed to.]

[Clauses 2 to 10 inclusive agreed to.]

**The Chair:** — Clause 11. I recognize Mr. Allchurch.

#### Clause 11

**Mr. Allchurch:** — Thank you, Mr. Chair. I want to move an amendment to the Bill.

Amend Clause 11 of the printed Bill:

- (a) in section 288 of *The Education Act, 1995*, as being enacted by Clause 11 of the printed Bill:

(i) in subsection (1) by adding the following definition in alphabetical order:

“‘**property tier**’ means a property tier that is:

(a) established by the Lieutenant Governor in Council within a property class; and

(b) based on taxable assessment values; . . .”;

(ii) by striking out subsection (3) and substituting the following:

“(3) The rates to be determined pursuant to subsection (2) may differ:

(a) for different property classes;

(b) for different property tiers; and

(c) for school divisions located wholly or partly within the City of Lloydminster”;

(iii) by striking out subsection (5) and substituting the following:

“(5) Subject to subsection (7), the rate for a taxation year determined pursuant to subsection (2) of the property class or property tier is a rate that must be levied in that taxation year on property in the property class or property tier of the taxable assessment of a school division”;

(iv) by striking out clause (7)(b) and substituting the following:

“(b) not later than April 20 in each taxation year except in the case of the 2009 taxation year, and subject to any directive of the minister, determine the rate in mills to be levied, and, for the purpose, may differ or determine a different rate:

(i) for each property class; and

(ii) for each property tier”;

(b) in subsection 289(1) of *The Education Act, 1995*, as being enacted by Clause 11 of the printed Bill, by adding “except in the case of the 2009 taxation year and” before “except in the case of a newly established school division”.

I so move.

**The Chair:** — Mr. Allchurch has moved an amendment to clause 11. I believe all committee members have a printed copy of the amendment. And will committee members agree to the amendment as Mr. Allchurch has read? What I'm asking is that the Chair does not have to read the amendment again. Will the committee members take it as read?

**Some Hon. Members:** — Agreed.

**The Chair:** — I should also note that there's a French version of this amendment that has been tabled. Do committee members agree with the amendment as read?

**Some Hon. Members:** — Agreed.

**The Chair:** — That's carried. Is clause 11 as amended agreed?

**Some Hon. Members:** — Agreed.

[Clause 11 as amended agreed to.]

[Clauses 12 to 24 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 89, *The Education Amendment Act, 2009 (No. 3)*. Is that agreed?

**Some Hon. Members:** — Agreed.

[13:00]

**The Chair:** — That is carried. I would ask that a member of the committee move that we report Bill No. 89, *The Education Amendment Act, 2009 (No. 3)* with amendment. Ms. Eagles moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. That concludes our deliberations on Bill 89.

**Bill No. 90 — *The Miscellaneous Statutes (Education Property Tax) Repeal and Amendment Act, 2009***

**Clause 1**

**The Chair:** — We will move to the next item on our agenda which is Bill 90, *The Miscellaneous Statutes (Education Property Tax) Repeal and Amendment Act, 2009*. And once again, we have the Minister of Education with us and, Minister, have you any new officials with you with regards to Bill 90?

**Hon. Mr. Krawetz:** — Mr. Chair, no, I do not have any new officials and I've made my comments at the opening of the discussion of Bill 89 relevant to why this Bill is before us, so I have no further comment.

**The Chair:** — Do committee members have questions for the minister? Mr. Wotherspoon.

**Mr. Wotherspoon:** — We understand that this is a result of the new direction, the new tax policy that the minister has brought forward. Basic question, I guess: have you had any concerns raised about how this Bill is structured in your deliberations and consultations?

**Hon. Mr. Krawetz:** — No, my officials from Municipal and Justice and Education say no concerns have been raised.

**Mr. Wotherspoon:** — We've raised concerns moments ago on Bill 89 and certainly through estimates and certainly in the

House with the fundamental shifts in how education's being financed, so I'm not going to go into that discussion here again on Bill 90. At this point in time, I don't have any further questions on this Bill.

**The Chair:** — Do any other committee members have questions for the minister? Seeing none, we will proceed to vote Bill 90. Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 23 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 90, *The Miscellaneous Statutes (Education Property Tax) Repeal and Amendment Act, 2009*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. I would ask a member of the committee to move that we report Bill 90, *The Miscellaneous Statutes (Education Property Tax) Repeal and Amendment Act, 2009* without amendment.

**Mr. Ottenbreit:** — I so move.

**The Chair:** — Mr. Ottenbreit so moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. Members of the committee, that completes our deliberations with Bill 90.

With the indulgence of the committee, it would be the Chair's wish to vote the Education estimates this afternoon so as to lighten our workload for the upcoming Monday. And if the committee members are agreed with that, we will proceed to vote the estimates of the Ministry of Education.

**General Revenue Fund  
Education  
Vote 5**

**The Chair:** — Committee members, we will proceed with voting the estimates of the Ministry of Education as found in the Estimates book starting on page 50. And the first vote is (ED01) in the amount of 16,505,000. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That's carried. (ED03) in the amount of 1,109,494,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. The next subvote is (ED08), early learning and child care in the amount of 57,809,000. Is that agreed?



**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. (ED10), curriculum and e-learning in the amount of 6,163,000. Oh sorry, we have a statutory amount included in that total so the amount to be voted is 6,138,000. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. (ED17), literacy in the amount of 2,777,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. (ED15), provincial library in the amount of 12,267,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. (ED09), education property tax relief in the amount of zero . . . or there is no funds allocated. Education . . . Sorry. I'll start again. (ED09), education property tax relief. There is no funds allocated to that subvote. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. Subvote (ED04), teachers' pensions and benefits in the amount of 27,131,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. There is amortization of capital assets of \$1 million which is for information purposes only.

Education, vote 5, in the amount of 1,232,121,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried. I would now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2010, the following sums for Education, in the amount of 1,232,121,000.

Mr. Allchurch so moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried.

[Vote 5 agreed to.]

**The Chair:** — I believe, committee members, that brings the business of the committee to an end. And seeing that it is past the time of our adjournment, we do not need a motion and so therefore this committee stands adjourned.

[The committee adjourned at 13:10.]