



# **STANDING COMMITTEE ON HUMAN SERVICES**

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## **STANDING COMMITTEE ON HUMAN SERVICES**

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Yorkton

Mr. Cam Broten, Deputy Chair  
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Ms. Doreen Eagles  
Estevan

Mr. Glen Hart  
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Ms. Judy Junor  
Saskatoon Eastview

Ms. Christine Tell  
Regina Wascana Plains

Mr. Gordon Wyant  
Saskatoon Northwest

[The committee met at 19:00.]

**The Chair:** — Good evening, everyone in the committee room, committee members, Mr. Minister and staff, and everyone at home. It is now 7 o'clock, the chosen hour for our Human Services Committee meeting to begin. I'll now call the committee meeting to order.

I would like to welcome all of you to the deliberations of the Standing Committee on Human Services. On our agenda tonight we will first be considering Bill 159, *The University of Regina Amendment Act, 2010*, and then we will move to a consideration of the estimates and supplementary estimates for the Ministry of Advanced Education, Employment and Immigration.

I'll now introduce the members of this committee. To my left are Mr. Cam Broten and Mr. Andy Iwanchuk substituting for Ms. Judy Junor; and to my right are Mr. Glen Hart, Mr. Gord Wyant, Ms. Christine Tell. And joining us soon will be Ms. Doreen Eagles.

**Bill No. 159 — *The University of Regina  
Amendment Act, 2010***

**The Chair:** — We'll now be considering Bill 159, *The University of Regina Amendment Act, 2010*. By practice the committee normally holds a general debate during consideration of clause 1. Mr. Minister, would you please introduce your officials to the committee, and I will ask you to do your comments. And any officials that speak on record, I would ask you just to state your name for the purposes of Hansard on your first time to the microphone.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair, and to the committee members. Pleased to be back before the committee and especially as we look initially at the U of R [University of Regina] Act. Certainly I'm happy to make the introductions of those officials that have joined me. There are a number of them, but what I'll do is I'll just begin my initial introductions for those that have pertinent responsibilities directed at the Act.

So I'm joined once again by Clare Isman, our deputy minister; as well as Rupen Pandya, our assistant deputy minister. Dion McGrath is just sitting in behind, our executive director of public institutions. Mr. Brent Brownlee is here beside me, the director of public institutions and infrastructure. And Rhiannon Stromberg, the senior executive assistant to the deputy minister.

Previously I've had the pleasure of moving the second reading of Bill 159, *The University of Regina Amendment Act, 2010*. As I've mentioned previously, the purpose of these amendments is to update and enhance the University of Regina's legislation to improve governance and administrative processes.

Specifically the amendments of *The University of Regina Act* are as follows: first, repealing the visitor section; second, increasing the number of members required to call an extraordinary meeting of convocation, increasing it from 25 to 50. Next, establishing a new method for the election of the chancellor with the chancellor to be elected by the university senate rather than by all of convocation, which has been a rather

expensive process that has yielded rather low voter turnout. Next, enabling the senate to appoint an interim chancellor in the case of a vacancy. On the next one, enabling professional organizations with membership on the senate to now choose their own member rather being directed on that membership by the senate. Next, requiring senate district representatives to be elected only by members of convocation living in that district rather than by all members of convocation. As well, requiring the board of governors to now report to the senate when requested. And enabling the senate to make bylaws governing the administrative functions for its elections and the election of chancellor rather than these functions being outlined explicitly in the Act, thereby streamlining the administration of the election process itself.

Importantly, the University of Regina has requested these changes to the legislation governing the university. The ministry, as well as the university itself, held consultations with university officials, faculty and staff, students' associations, the alumni society, the general alumni, and members of convocation at large. We were generally met with support from stakeholders for these amendments during our consultative processes. This being said, I want to make sure that it's clear that support was not universal.

I'd like to recognize the University of Regina for the fine institution that it is, recognized here within the city, across the province, and of course well beyond not only in Canada but around the world. In addition to the institution, I'd like to recognize its senior leadership team for their excellent work in educating Saskatchewan learners and focusing on key areas of research.

Our government is committed to building a stronger Saskatchewan through higher education, research, and innovation. We recognize that the University of Saskatchewan, like other institutions within our post-secondary system, remains an important partner in building the Saskatchewan of today and tomorrow, essentially in helping to ensure that we're maximizing the Saskatchewan advantage.

Mr. Chair, committee members, I now welcome any questions on the proposed amendments.

**Clause 1**

**The Chair:** — Thank you, Mr. Minister. We will now consider clause 1, short title, *The University of Regina Amendment Act, 2010*. Committee members, any questions? Mr. Broten.

**Mr. Broten:** — Thank you, Mr. Chair, and thank you to the minister for the overview of the proposed amendments to this Act. I just have a couple of questions for the minister at this time just to state clearly, can the minister state where the request for these changes are being made? Which individuals or which groups have requested the change?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. The request for these amendments has come through, as is appropriate, the University of Regina's administration and have been endorsed by both board and senate of the University of Regina.

**Mr. Broten:** — Thank you very much. In the minister's remarks he mentioned that in the experience of his office that there is general support for these changes but that the support is not universal. Could the minister please identify which groups or organizations are not supportive of these changes please?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Out of the consultations that were held, it was through the alumni association, I would categorize the feedback that we received. There were more than, about 16,000 emails sent out. And from there I would offer this: one request came forward for something in addition to what was being proposed by the University of Regina administration. And in addition to that one request, there was one concern that was raised and it had multiple facets to it.

**Mr. Broten:** — Thank you very much. The changes, these proposed amendments, some of them mirror some changes that happened at the University of Saskatchewan with the U of S [University of Saskatchewan] Act. Just wondering, that was passed in the previous year. Has there been any, I won't say follow-up, but any results from that process of change in the legislation that might inform the situation at the U of R if these changes were to go through? Has the experience that the U of S with the changes there been a smooth one, and might we expect a similar outcome at the University of Regina?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I would say generally the transition at the University of Saskatchewan has been quite smooth. I think there's been one question that's come up regarding the visitors clause. I'd offer that that clause had already evolved from kind of the de jure what was written into the de facto and that legal processes were already put in place, and so my sense is it's gone very smooth.

I would, I would add this. While there will be some lessons learned from having passed and now seen the implementation of *The University of Saskatchewan Act* for that institution, not all the clauses are the same. And indeed, the very nature of these institutions vary. And one way to summarize that is, one's a medical doctoral university and one's a comprehensive university. I think it's safe to say we'll remain attentive to what those lessons are and at the same time also look for new learnings, given that this is a separate Act, that the institutions do have separate traditions. And we'll be attentive and as helpful as we can to this autonomous institution during the implementation of the amendments.

**Mr. Broten:** — Thank you. Nearly finished with my questions but just one more. The comment that the minister made about the one issue arising from the change in role of the visitor, is that the one case that has received some media attention — and I believe it was a student in engineering — or is it a different case altogether, the one issue that has come up?

**Hon. Mr. Norris:** — Again thank you, Mr. Chair. I think it's prudent . . . I don't think it's prudent for me to get into the details of the case. It was regarding a student-related matter and as I said, the visitor clause had already evolved on a de facto level, and that is reference was made into the legal system. And so I would say that would be under one of the lessons learned, but I'm not overly concerned. In fact the Lieutenant Governor has essentially offered a recommendation that this is a prudent

move just based on practices that were already in place and that evolution into the legal system.

**Mr. Broten:** — Thank you. That concludes my questions. I thank the minister and the officials for the responses.

**The Chair:** — Thank you, Mr. Broten. Any further questions from committee members? Seeing none, we'll move to voting of the Bill. Clause 1, short title, *The University of Regina Amendment Act, 2010*, is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 19 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. 159, *The University of Regina Amendment Act, 2010*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Agreed. I would ask a member to move that we report Bill No. 159, *The University of Regina Amendment Act, 2010* without amendment. Mr. Hart. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Thank you, Mr. Minister, and your officials. Do you have any final comments?

**Hon. Mr. Norris:** — I'd just like to offer my thanks to all the committee members and to yourself, Mr. Chair, for the deliberations, and I think this is going to help ensure that both the spirit of excellence and inclusion continue to define the very good work of the University of Regina in the years ahead.

**The Chair:** — Thank you, Mr. Minister. Mr. Broten, final comments?

**Mr. Broten:** — Thank you again to the officials and the minister.

**The Chair:** — Thank you very much. We will now have a very brief recess just to facilitate some seating changes, and we'll be returning within a few minutes.

[The committee recessed for a period of time.]

**General Revenue Fund  
Advanced Education, Employment and Immigration  
Vote 37**

**Subvote (AE01)**

**The Chair:** — Welcome back, committee members. We are now looking at the main and supplementary estimates for the Ministry of Advanced Education, Employment and Immigration, vote 37, central management and services (AE01), outlined on page 27 of the Estimates booklet; as well as vote

169 (AE01), loans to the Student Aid Fund subvote, lending and investing activities, outlined on page 164 of the Estimates booklet; and finally the supplementary estimates (AE02), post-secondary education outlined on page 3 of the Supplementary Estimates book.

Mr. Minister, would you like to just tell us any changes in seating arrangements and open with a statement.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I'll keep my statement very brief, but I'll begin just by reiterating some of the names that I've already offered and adding to those names. Once again Clare Isman, my deputy minister, is here. Rupen Pandya has just moved back, right here; he's the acting assistant deputy minister. Dion McGrath, just in behind me, the executive director, public institutions and infrastructure; Brent Brownlee, the director of public institutions and infrastructure; Rhiannon Stromberg, the senior executive assistant to the deputy minister. As well we have Dr. Reg Urbanowski, special adviser to the deputy minister. Kirk Westgard is here, acting assistant deputy minister, immigration. Karen Allen joins us, the executive director of corporate services; Jan Morgan, executive director, career and employment services; Tammy Bloor Cavers, executive director, student financial assistance; Ted Amendt, the executive director, program innovations; Ann Lorenzen, executive director, quality assurance. As well as Scott Giroux is here, the director of financial planning; Heather George, the director of public institutions and infrastructure; and Mr. Kevin Veitenheimer, the manager of the knowledge infrastructure program.

Mr. Chair, seeing as this simply allows us to continue the deliberations that have occurred for us through the good work of this committee, I'll just simply say that I'm pleased to return. We know how important post-secondary education is to people right across the province, as well as initiatives regarding employment and skills training. Again, we think we're making significant progress here, as well as obviously key areas relating to immigration. I'll keep my remarks contained and confined just to those comments and we're happy to roll up our sleeves and get down to work.

**The Chair:** — Thank you, Mr. Norris. Mr. Broten.

**Mr. Broten:** — Thank you, Minister, for that intro, and I'm happy to carry on with questioning that we've had on an earlier night, I think about a month ago actually. So I'd like to pick up on an area that I was addressing when we last spoke and that has to do with the proposed merger of Carlton Trail Regional College and St. Peter's College.

There's been some discussion that we've had concerning the appointment of an administrator to Carlton Trail Regional College. I believe the administrator's name is Graham Pearson. Could the minister please provide us with information on how many days per week or how many days per month is the administrator on site at Carlton Trail Regional College, please?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I'll have Mr. Pandya provide an answer, and then I'll just offer a few concluding remarks to the question.

**Mr. Pandya:** — Thank you, Mr. Chair. Rupen Pandya,

assistant deputy minister, Advanced Education, Employment and Immigration. The administrator initially was on site five days a week when we initially appointed the administrator. Based on the administrator's assessment of the controls and the risk at Carlton Trail Regional College, the administrator is now on site two days per week and is available two days a week off-site, so is working off-site for two days a week. So that's four days in total per week.

[19:30]

**Hon. Mr. Norris:** — I guess to that, it's with respect to the administrator that he's running this institution, taking care of issues and items that come up as a matter of course. And so, you know, it's with respect to his efforts as he checks in daily and then reports weekly, you know. There are days when he'll begin at 6 a.m. with issues as we might imagine, other days where he works well into the evening. And so such is the nature of some of the administrative tasks that he's performing.

**Mr. Broten:** — For the work that Mr. Pearson is doing, how does he report his hours in the days that he worked? The minister makes reference to some days starting at 6 and some days going to the evening. Is that type of information being collected by the ministry or reported to the ministry, or is it simply a lump sum that is being provided to the administrator to do the job? And if I could add, if the details of the contract or the work arrangement between the ministry and Mr. Pearson are written down on paper, would the details of that contract, could they be tabled to the committee?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. And I'll ask Mr. Pandya to respond on the details.

**Mr. Pandya:** — Thank you, Mr. Chair. So as a professional, he is expected to work when is required. And so if the ministry would have a request of the administrator, we make those requests at, you know, at various times throughout the day. I'd note that the contract is a lump sum contract and, in fact, the administrator's typically in daily contact with the ministry regarding the operations of the college.

**Mr. Broten:** — Have any of the details of the contract changed from the point where the administrator was initially brought on to serve as the administrator?

**Mr. Pandya:** — Thank you, Mr. Chair. So we do have a terms of engagement. It is in fact from *The Regional Colleges Act*. The administrator under section 28(2) of that Act is taking on the duties of the board of governors and as well, in the absence of a CEO [chief executive officer], is also fulfilling all the duties of the CEO. And so I'd be happy to read into the record the terms of reference for the engagement. There is one area of the terms of engagement that we have discussed with the administrator relative to resetting the board of directors for Carlton Trail Regional College. The ministry has already engaged KPMG to make observations on best practice and board governance. The minister has also directed the ministry to return with a paper on best practices in post-secondary governance to him. And so the ministry's made the determination that that area of work would fall off of the administrator's terms of reference.

If I may, I would just read into the record then some of the scope of services that the administrator, Deloitte & Touche, has agreed to. So the scope of services under *The Regional Colleges Act* requires the administrator perform the following roles:

- (a) conduct and manage the affairs and business of the college;
  - (b) be the sole member of the board;
  - (c) in the name of the board, perform all of the duties and exercise all of the powers otherwise vested in the board.
- [And]

... act in accordance with the instructions and direction given by the minister or his designate.

The duration of the duties commenced March 22nd, 2011, and are anticipated to continue until June 22nd of 2011. Given the nature of the appointment of an administrator pursuant to section 28(1) of *The Regional Colleges Act*, the objectives of this engagement are: to provide oversight to Carlton Trail Regional College, allowing a return of public trust and confidence; provide support to staff and learners to allow CTRC [Carlton Trail Regional College] to continue meeting learners' needs; and to assist in the reconstitution of the board which embraces best practices in governance and oversight. And so this is the area that we have asked the administrator to remove from the terms.

The ministry recognizes that the administrator is being asked to operate a business entity pursuant to the provisions of *The Regional Colleges Act* and that this administrator may need to take appropriate steps to mitigate operating risks should they arise. The terms of reference, the administrator should address the following: conduct and manage the affairs and business of the college; be the sole member of the board; in the same manner as the board, perform all of the duties and exercise all of the powers otherwise vested in the board; act in accordance with the instructions or directions given by the minister or his designate.

Provide appropriate oversight to stabilize CRTC to allow it to continue delivering course offerings to the community; assess at a high level the effectiveness of CRTC's system of processes and controls and implement changes where appropriate; to review all board minutes since January 2009 and identify possible governance oversight issues; provide observations to the ministry on the future governance requirements of CRTC and the ministry's formation of the new board. And again I've noted the change in scope on that element.

Provide observation to the ministry on the future best practice for training and board governance practice adoption; investigate and report on specific past CRTC matters, transactions, or decisions as requested; review disbursements and significant financial or business transactions of CRTC and recommend approval thereon to the ministry as appropriate and provide co-operation to the ministry and the ministry's consultants or auditors regarding ongoing investigations as required.

The administrator will require full and complete access to all records and procedures and have full co-operation of each staff

member of CTRC and the ministry as required. And as I noted earlier, the administrator reports . . . typically a formal report's provided to the ministry on a weekly basis, but typically the administrator's in contact with the ministry on a daily basis.

**Mr. Broten:** — Thank you. When does the minister anticipate that a new CEO will be hired for Carlton Trail Regional College? And when might a new board be appointed for Carlton Trail Regional College? I heard in earlier comments that there's work being done on what the board should be like, I suppose, but if the minister could please shed some light on those two aspects.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We anticipate that there are some options. In June the administrator's term is going to be up. There are some options. There is the option of renewal. There is the option of an appointment of another administrator. Then there is . . . The sequence would be that a board would be put in place and then a CEO. So you know, we anticipate within the time frame of June that we'll have a better sense. All of this of course is going to depend on the feedback and findings of the audits that are under way. And we anticipate we'll hear from most of that work that's under way in June.

**Mr. Broten:** — Thank you. The weekly reports that the administrator provides to the ministry, are they more detailed and more comprehensive than the high-level ones that are posted online?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I'll have Deputy Isman weigh into this first and then Mr. Pandya will follow up.

**Ms. Isman:** — Thank you, Mr. Chair. Clare Isman, deputy minister, Advanced Education, Employment and Immigration. The reports that we are getting from the administrator are the reports that we're posting online in terms of the nature of the high-level work that he is doing on a regular basis at the institution in all of the areas that we referred to in terms of the terms of reference. Beyond that there are more specific transactional work that he is required to do and to report into the ministry which he does through Mr. Pandya on a regular day-to-day basis. And he can be more specific in terms of the nature of those conversations and the approvals.

[19:45]

**Mr. Pandya:** — Thank you, Mr. Chair. So the nature of the daily transactions or the nature of the daily transactions you would expect in running a regional college — approval of payments, approvals for any significant changes in space allocations, HR [human resources] issues that might be arising at the college — so it would be typically transactional interactions on a daily basis.

**Mr. Broten:** — Thank you. In the reply, his comment was made to do with financial transactions and decisions that are being made around spending money. I understand that the administrator is the individual who can sign cheques and has the authority to make expenditures. I believe in earlier questioning in weeks past, we talked about the budget funding for Carlton Trail Regional College and how that funding is

dependent upon, well, the role that the administrator is serving and then the process of getting a new board, which we've been talking about.

I believe in one of the earlier comments that the minister made, he talked about the funding being held at arm's length or in a separate account or some sort of provision like that. Does the funding for Carlton Trail Regional College that is awarded through the budget which would normally be transferred to Carlton Trail Regional College, is that right now being kept in a separate account in some way? If a minister could please shed some light on how that is operating please.

**Mr. Pandya:** — Thank you, Mr. Chair. On the advice of the . . . When we briefed the Provincial Auditor on the appointment of Deloitte & Touche as the administrator for Carlton Trail Regional College, we were advised that we had mitigated risk at that institution. And based on that advice, we have not withheld funding from the institution. In fact that institution has received two-twelfths of interim supply.

**Mr. Broten:** — I was curious when the acting ADM [assistant deputy minister] gave his response with the frequency that the administrator is contacting him with HR matters, with spending matters, on a daily basis. It sounded like it was happening fairly often. Has the ministry given any thought that the ministry could serve as the administrator? If approval is being sought from the acting ADM for many of these decisions, approval or if knowledge certainly needs to be shared at that frequency and that level, has the ministry considered the appropriateness of spending such a large amount of money on an administrator that is constantly going to the acting ADM with respect to these types of decisions?

**Mr. Pandya:** — Thank you, Mr. Chair. Thank you, Mr. Chair. So when the ministry appointed Deloitte & Touche as the administrator of Carlton Trail Regional College, we asked for a senior level resource to step into the institution, given the emergent nature of the issues that were unfolding at the college at the time.

*The Regional Colleges Act* requires the administrator to seek the approval of any recommendations that are made. So this senior level resource is doing the due diligence on the payments on the payroll and all of the key transactional issues at the college and then providing that as recommendation as per the Act back to the ministry for approval.

**Mr. Broten:** — Can the minister guarantee that the administrator is on site two days of every week?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. The question from the member is one that . . . You know, we're pleased with the work of the administrator. We know the member has offered his opinions in the House and in a press release about this issue. And so it's simply to say that, you know, the administrator is undertaking his work.

If I could return to his previous question regarding the question if the ministry could serve as the administrator, and I'll get Mr. Pandya to actually comment on that, and then I'll come back with a comment.

**Mr. Pandya:** — Certainly. Thank you, Mr. Chair. *The Regional Colleges Act* requires that an individual be appointed as the administrator of a college, and so therefore the ministry couldn't act as an administrator of a regional college.

**Hon. Mr. Norris:** — To that, Mr. Chair, I would just simply return to my previous response. And that is, as June approaches and as we anticipate that we'll be receiving feedback from the ongoing audits, as I've highlighted, we will then be presented with a number of options. One is to appoint another administrator, and certainly that option remains on the table.

And so, you know, we're pleased with the work. We're pleased with the stability that it's afforded not simply the institution but the students. And in fact we've just received word that Carlton Trail has just recently received an award for its work with First Nations communities and in some key areas, and more to come on that in the coming days. I certainly don't want to detract from the celebration of the good work.

And so we're, you know, we're pleased. We're satisfied. And as we receive information back from the audits, we'll review the options. As I've said already, those options include maintaining the status quo, selecting a new administrator, moving to the selection of a board and then the CEO. And so we'll keep those options open as we receive the data and materials that will be forthcoming from the audits.

**Mr. Broten:** — Thank you. When the new board will be appointed for Carlton Trail Regional College, my thoughts go back to the previous board. And we know that some of the actions that occurred that caused the minister to dismiss the board, in that process, in my opinion, not all board members acted equally. There were some who certainly turned a blind eye to reports by the chief financial officer and reports by other staff members about concerns. And there were, however, others that, at least in my reading of the board minutes, who voiced in some of the emails that have been released that talked about wanting to get and receive more information about some of the problems and the concerns that were raised. Is there a possibility that some of the previous board members, some of them will be reappointed to the new board?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. What we've committed to is focus, when that time comes, on best practices. That work is under way both within the ministry and through the work of KPMG, and so I will just simply say that I think it would be preliminary or premature to offer an opinion. What we want to do is make sure that the institutions are well served by the board, and we'll wait to see what those recommendations will include.

**Mr. Broten:** — Thank you. In the frequent reports that the administrator provides to the ministry, whether it's to the ADM, the DM [deputy minister], or the minister, has the administrator raised any concerns that he has discovered with respect to financial management or mismanagement or problems to do with accounting — any concerns whatsoever that could be interpreted as untoward?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. For the record there is no report to me on this matter. The report goes into the ministry. And I'll have Mr. Pandya speak to that.

**Mr. Pandya:** — Thank you, Mr. Chair. The answer to the question is no. There have been no reports of financial irregularities. In fact the administrator reports that the internal controls at Carlton Trail Regional College are adequate, as are the human resources.

**Mr. Broten:** — Thank you very much. Turning my attention now from Carlton Trail Regional College to St. Peter's College, what financial concerns at St. Peter's College have been brought to the minister's attention to date?

**Hon. Mr. Norris:** — Again, thanks very much, Mr. Chair. For the record, there are no reports that come directly to me, and what I'll do is refer this question to Deputy Isman.

[20:00]

**Ms. Isman:** — Thank you, Mr. Chair. The work of KPMG is to go in and actually do the audit of the financial affairs of St. Peter's College. The only information that we have is the information that's been made public with regard to the allegations that were in that May 10th email from Carlton Trail. So those are the specific information that we're aware of that have been made public. Other than that, the work that KPMG is undergoing is the information that will be provided to us with regard to the financial well-being of the institution.

**Mr. Broten:** — So I've heard concerns about, when it comes to accounting practices, about the amalgamation of capital, operational, and fundraising funds. Is that a concern that has been raised with the ministry to date?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Again certainly from the start, there have been a number of allegations or questions, concerns that have been raised, and those form the basis of the work that's under way. And we'll have Mr. Pandya comment in some detail regarding the focus of that work and the relevance of it as it relates to the question.

**Mr. Pandya:** — Thank you, Mr. Chair. The ministry is interested in the full body of knowledge regarding the financial condition of St. Peter's College and in fact, the terms of reference for KPMG are specifically focused on assessing the financial condition and financial sustainability of St. Peter's College. And I can read into the record the terms of reference relative to that body of work as well.

**Mr. Broten:** — I'm sorry. Is that same terms of reference that the deputy minister would have read a month ago for KPMG? If it's already on the record, we don't need to read it again, but if you'd like to go ahead, that's fine. I apologize for interrupting.

**Mr. Pandya:** — Thank you, Mr. Chair. To assess the financial condition and financial sustainability of St. Peter's College, to assess management's system of internal control and accountability for public money, to assess St. Peter's College's board governance, to investigate the allegations of financial impropriety against the CEO of Carlton Trail Regional College and the president of St. Peter's College.

The audit should address the following: obtain and analyze SPC's [St. Peter's College] audited financial statements from 2005 to the present, noting trends and changes in working

capital and restricted funds; to assess financial condition and financial sustainability and assess management's actions to address issues raised by the auditor of the financial statements; assess the appropriateness and authorization of the use of restricted funds including those related to scholarship and capital funds; review budgeting and financial management reports provided to and approved by the board to determine the degree of monitoring; verify the ownership and location of assets, specifically the vehicle used by the CEO/president and the 52-inch TV in question; verify the legitimacy and authorization of executive management compensation and expense claims for SPC and CTRC.

In addition this will assist in the determination of duplicate expense claims, verify the legitimacy and authorization of board compensation and expense claims for SPC and CTRC. In addition this will assist in the further determination of duplicate assess . . . expense claims.

Assess the compliance with taxable benefit reporting as per tax laws administered by Canada Revenue Agency; identify the most significant financial risks and key internal controls designed to mitigate these risks; review and evaluate the key internal controls; assess the systems and processes SPC has in place to protect and promote the interests of its diverse stakeholder groups, government, employees, faculty and administration, students, donors, vendors, alumni, and community.

Specifically review and assess: board responsibilities as defined by bylaws and charters; board compliance with legislation; board and committee minutes including records of decision and votes including the discussion and acceptance of annual audited financial statements and auditors' letters of significant findings including follow-up to the board on actions to address auditor findings; review of president's performance and compensation; board or committee review and approval of executive management expenses consistent with SPC policy and procedures; criteria for board member selection including the number of independent board members and financially experienced board members; compliance with laws including the reporting of taxable benefits; board discussions concerning ethics issues, fraud awareness, and board self-assessments; monitoring activities including review and approval of management reports, executive management hiring policies and practices, due diligence planning and affordability of capital purchases, and facility improvements.

**Hon. Mr. Norris:** — If I could, Mr. Chair, I would just add that we wanted to reiterate these terms of reference to reflect and reinforce to, that is, to demonstrate the significance that both my office and of course the ministry have placed regarding the concerns, questions, and allegations. To date that's what we're dealing with. But that we take these issues very seriously and I think, as reiterated by the terms of reference listed, we are rolling up our sleeves and making sure that that work is being done.

**Mr. Broten:** — Thank you. So when we look at the public dollars going to St. Peter's College, just to recap — and these numbers were provided at the last committee gathering on this topic I believe — but I just want to restate them before we go into a line of questioning concerning St. Peter's College. So if I



have it right, and I can be corrected, I believe I was taking notes quickly when they were read last time.

For operating budget this year for St. Peter's, it's \$1,092,000. Last year it was \$1,030,000. And then when we look at the capital project that is under way at St. Peter's College, the total price tag is \$12,072,000. From the federal government through the knowledge infrastructure program, there's a provision of \$6,036,000, roughly 3 million from the province, and then St. Peter's was responsible for fundraising or coming up with a remaining \$3 million. Do I have those numbers correct before we go down a certain line of questioning, please?

**Hon. Mr. Norris:** — Yes, those numbers are correct.

**Mr. Broten:** — Thank you very much. Can the ministry state as to the \$3 million that St. Peter's College was responsible for contributing, was that \$3 million sum, was it all raised by the college? Has that work been completed?

**Hon. Mr. Norris:** — Yes, if I could, Mr. Chair, we'd like the question to be repeated. The member of the committee's asked about \$3 million raised by St. Peter's?

**Mr. Broten:** — The \$3 million that is a contribution by St. Peter's, when looking at the \$12 million project — six from the feds, three from the province — was that \$3 million in an account somewhere?

**Hon. Mr. Norris:** — In St. Peter's.

[29:15]

**Mr. Broten:** — Yes.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I'll have Deputy Isman respond to that.

**Ms. Isman:** — Thank you, Mr. Chair. There was written confirmation from St. Peter's College with regard to their fundraising efforts of the \$3 million, actually \$3.2 million, but we don't have any information with regard to where those funds are held. But that is part of the work that we expect KPMG to do in terms of the terms of reference that we've already read into the record.

**Mr. Broten:** — So if I can just restate to make sure I heard it, understood it correctly: you received written confirmation that the funds existed, but you didn't see written evidence as to where they were or where they are.

**Ms. Isman:** — That's correct.

**Mr. Broten:** — Okay. For the building project, the \$12 million project, could the minister please state the nature of the project, what the different components in general terms are for the project, please?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We'll have Mr. Kevin Veitenheimer offer a more detailed response to ensure we can get the components in.

**Mr. Veitenheimer:** — Hi. The project essentially entails a

complete renovation of Michael Hall which included adding an elevator and then redoing all of the mechanical, the electrical, replacing the windows, basically bringing it up to date.

**Mr. Broten:** — Thank you. Were those . . . No, I'll ask you a different question. Could the minister please provide an update as to the progress of the construction project — what is completed and what is uncompleted — and also where it stands with respect to the \$12 million price tag. Is it coming in on budget? Is it below budget or over budget, please?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Again I'll have Mr. Veitenheimer respond, just given his level of knowledge with the project.

**Mr. Veitenheimer:** — So with respect to the work that's been completed so far, the new elevator is complete, and it's open to the public now. The basement, first, second, and fourth floor renovations are all complete, and all that is left is the third floor and some of the landscaping. And this was one of the projects that requested an extension that was allowed by the federal government, and right now they're scheduled to be done by July 31st.

**Mr. Broten:** — Thank you. And I asked about budget issues as well, please.

**Mr. Veitenheimer:** — So there was some cost overrun on the elevator portion of the project. It was a fairly major undertaking, and they didn't anticipate some of the issues with tying it in to the existing building. They also had some overrun on the rest of the project because before the federal government extended the deadline, they accelerated their work to try and get it all done by March 31st as there had been some delays. When the project deadline was extended by the federal government, then that ended up being a cost overrun to the project.

**Mr. Broten:** — So all of the overruns put together are how much, please?

**Mr. Veitenheimer:** — Approximately \$1 million.

**Mr. Broten:** — 1 million, approximately?

**Mr. Veitenheimer:** — Yes.

**Mr. Broten:** — And who is paying for that \$1 million overrun?

**Ms. Isman:** — Thank you, Mr. Chair. The expectation to the institution is that they will be responsible for any cost overruns with regard to KIP [knowledge infrastructure program] project, which is consistent with how we're handling any potential overruns on other KIP projects as well.

**Mr. Broten:** — So just to be clear, St. Peter's itself will be on the hook for any overruns?

**Ms. Isman:** — Mr. Chair, yes, that's correct.

**Mr. Broten:** — Okay. Who's the construction firm or what is the construction firm or contractors who have been awarded this project? And was the project tendered?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We'll get Mr. Pandya to respond to this.

**Mr. Pandya:** — Thank you, Mr. Chair. Miners Construction was selected by St. Peter's College, starting in 2007, to work on renovations at Severin Hall, and then they were engaged by St. Peter's College to also lead the design-build process to renovate Michael Hall. Miners was engaged through a construction management process as opposed . . . And the work was not tendered.

**Mr. Broten:** — Thank you. Could that also be referred to as direct award? Would that be appropriate description or terminology?

**Hon. Mr. Norris:** — Mr. Chair, if I could, I think what we'll do is make sure that we add to that response, and that is, Miners has been working with St. Peter's since 2007. And while it undertook the demolition and some of the mill work, importantly it oversaw the tendering of mechanical, electrical, sprinklers, painting, flooring, windows, and key aspects of the elevator project. And so what I want to make sure is that key aspects of the project were tendered as a result of the construction management model.

This is consistent with a number of other KIP initiatives that have gone on across the province. And I'll pick three just to highlight from the University of Regina. This type of management construction process included the Luther College academic building renewal project, the University of Regina's Research and Innovation Centre — that's on the fifth floor — and the University of Regina's modernization and code upgrades for the lab building. There are some others, but I just want to offer that context.

[20:30]

**Mr. Broten:** — Has Miners Construction and any of the subcontractors, have they all been paid on time? And are all payments that are due, are they all up to date or are there outstanding payments for work that has been completed?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Again allowing for the realities of the workday world in the construction sector, it's our understanding that those payments are up to date.

**Mr. Broten:** — Thank you very much for that answer. For the next question, the question: for the \$1 million cost overrun, the minister stated that it is the expectation, according to the KIP program, that St. Peter's College would pick up the cost overrun. My question: is it the ministry — I think the expression used was expectation — but my question is, is the province or the federal government in any way financially on the hook for that \$1 million should St. Peter's College not be able to make that payment? Is there a possible payment that will be required by the province if St. Peter's College cannot make that \$1 million payment?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We'll get the deputy to respond.

**Ms. Isman:** — Thank you, Mr. Chair. No, there are no

provisions whereby either level of government would be responsible for any outstanding payments.

**Mr. Broten:** — Thank you. Now in the update provided by the ministry with respect to the construction progress that has occurred, stated that the basement's been done, the elevator's been done, a number of the floors have been done. But one of the floors is not yet completed, I think I heard, as well as some of the landscaping. Is that work currently being done? Is it in progress and if it is in progress, when is the completion date? Or is that construction work and the landscaping, is that stalled right now? Please, a little more clarification on that aspect.

**Hon. Mr. Norris:** — As stated previously by Mr. Veitenheimer, it's anticipated that the project will be completed by the end of July this year. Again on the day-to-day basis, I won't speak on the details, but the work is under way to meet that deadline.

**Mr. Broten:** — Thank you. In talking about the future plans for St. Peter's College in previous dates, various individuals have talked about the possibility of a nursing program at St. Peter's College. And as I understood and as I heard it through different people, that was often presented as the rationale for many of the renovations that are occurring, and some of the renovations were made to keep that, or made to accommodate such a program. One example would be in the lab area, the type of fume hoods that would be required for the appropriate labs for a nursing program, as one example.

And it was often used in the public, either in weekly papers or different aspects where I've read it, that a nursing program was likely coming. Is there a nursing program available at St. Peter's College?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We'll ask one of our officials to offer that. And Dion why don't you . . . I can't quite remember your official title, so I'll get you to introduce yourself.

**Mr. McGrath:** — Dion McGrath, executive director of public institutions and infrastructure. Thank you, Mr. Chair. Yes, St. Peter's College will be able to offer a first year of a nursing program, the U of S nursing program, no different than any other regional college would be able to offer it or any other institution. The labs themselves will be multi-purpose. The high school students that currently attend St. Peter's College will be able to use those labs.

**Mr. Broten:** — Okay. I know . . . I'm looking at the St. Peter's website. I've seen that for some time they've been advertising the ability to take many of the first-year courses for a number of disciplines at St. Peter's College. Is what's being offered at St. Peter's College with the completion of the renovated facility, is that something different from what's been done in the past, or is it the same from what's been occurring through St. Peter's College?

**Mr. McGrath:** — Thank you, Mr. Chair. The actual enhancements that are being done out there will allow St. Peter's to offer some additional classes like nutrition that will enable them to offer the full first year of a nursing program.

**Mr. Broten:** — So it's just the first year. It's not any additional levels or any additional years that are available to students?

**Hon. Mr. Norris:** — Yes, it's the first year.

**Mr. Broten:** — Was there talk in earlier months when the program was being . . . when the construction project was being presented, of having a greater offering than the first year?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. The U of S nursing program, as I think members of the committee are aware, we're going to a two-provider model regarding nursing to ensure that additional nurses are being trained here within the province and — the goal of course — being retained in various communities across the province. So the University of Saskatchewan is moving forward, it's my understanding, with programs at Ile-a-la-Crosse as well as La Ronge.

And this first-year program, and as we would expect, we'll leave it to the University of Saskatchewan just as we'll leave it to the other provider, that is the partnership between the University of Regina and SIAST [Saskatchewan Institute of Applied Science and Technology]. The institutions will take their own counsel based on feedback from communities and other stakeholders as far as program expansion from there.

So you know, at this stage, it's the first-year program. And the evolution will, I'm sure, rely on a number of factors. And we'll of course see the institutions, and appropriately so, playing a lead role on the evolution development from there.

**Mr. Broten:** — Is the minister aware of ongoing discussions between St. Peter's College and nursing programs in order to provide a higher level than the first year? Are there ongoing conversations, or is this simply something that might happen in the future?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. As memory serves, the dean of nursing at the University of Saskatchewan was out for the KIP announcement at St. Peter's. As far as the nature and character of ongoing discussions, I'm sure both providers — that is the University of Saskatchewan as well as the University of Regina and SIAST — are out having a number of conversations with a number of partners or potential partners and the details of which rest, and appropriately so, with those institutions. As plans and proposals progress, obviously we're alerted to them. As far as where we are today, the go-forward position is focusing on first-year nursing at St. Peter's from the University of Saskatchewan.

[20:45]

**Mr. Broten:** — Thank you. My thoughts go back to an earlier statement made about the funding for the construction project. When it comes to the contribution made by the \$3 million sum by St. Peter's College, it was stated that there was written confirmation of some sort — I assume a letter — that the funding was in fact there. But there was no documentation to prove that it was there.

Is that a normal type of procedure with respect to KIP-funding programs? I'm just curious if that's the normal level of evidence that any organization receiving KIP dollars would

have to produce.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We'll ask Mr. Veitenheimer to comment again more broadly as well as on the specifics.

**Mr. Veitenheimer:** — There were a number of projects that were contributing their own funding towards projects. There's at least four that I can think of offhand — Briercrest, Lakeland College, Luther College, and St. Peter's — where a significant amount of money relative to the size of the project was contributed by the institution. There was also smaller amounts from some other institutions. In none of those cases did we verify or seek some sort of process to ensure that the funding was in place. That was not part of the standard process.

**Mr. Broten:** — Okay. So is the minister clear or am I understanding the minister correctly when he says that the possibility or the projected benefits of the program or of the construction project, the benefit of having an enhanced or expanded nursing program, was that used as . . . was that not used as the basis for KIP dollars flowing into the project? So I worded that horribly. Let me start again. Am I correct in my understanding that the minister is stating that in making the case for KIP dollars flowing into St. Peter's College that the possibility or the planned expansion of a nursing program was part of that rationale?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I think what's important is that the institutions work directly with the federal government on KIP. That's not to say that the provinces weren't involved, but ultimately these were federal decisions.

Regarding provincial dollars, there were four factors that contributed to this. So first and foremost, there were outstanding health and safety concerns regarding the general infrastructure out at St. Peter's. As well, St. Peter's had a fundraising plan and actually was well under way. That fundraising had begun back to 2007-2008, so they were already out raising money for the revitalization. Next, certainly economic opportunity for the region with some expectation that there would be closer ties regarding some business and commerce programming through the U of S. And then as well, other courses which did factor in as one of the four criterion, the nursing program or potential nursing program from the University of Saskatchewan.

Now regarding KIP, it's not in any way to say that these four primary factors that the province paid attention to, as far as the rationale that the federal government used, I'm not in any way in a position to speak on behalf of the federal government. They came in matching the St. Peter's dollars and helping to match the provincial dollars that were on hand. So I won't speak directly to . . . There may be others, is my point, that the federal government may have considered along the way too.

**The Chair:** — Mr. Broten, if I can interrupt you for a few minutes. This is a long committee meeting tonight. We're past the halfway mark. So I'll just call a recess for approximately seven to ten minutes and ask committee members to be back shortly after.

[The committee recessed for a period of time.]

**The Chair:** — Welcome back, committee members. We will continue on with consideration of Advanced Education estimates. Mr. Broten, you have the floor.

**Mr. Broten:** — Thank you. Going back to the knowledge infrastructure program and the proposed benefits to the funding that was going towards St. Peter's College. On the Industry Canada website, it states some of the anticipated benefits and the minister alluded to this in his earlier response and it says:

Through this project, the College is proposing to add new program streams that are expected to increase enrolment by 300% and faculty from 34 to 117. The streams include nursing and International Business Administration.

In this brief little overview of the anticipated benefits, it's fairly detailed with respect to the prediction for the increased enrolment levels, as well as the faculty growth on campus. So my question is, it seems as though that there were fairly detailed plans about an expansion of the nursing program beyond what is currently being offered now. And so were those plans further developed than sort of the initial conversations that the minister is suggesting or . . . My question is, where do these numbers come from, the increase of 300 per cent and the increase in faculty positions?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Probably all three of us will have some comments. As far as the numbers as presented on the Industry Canada website, I'll leave those for a bit.

You know, if we look at the criteria before that I've offered as the province, and then we think about the broad range, I think there are a couple of things: first of all, even while St. Peter's has been under construction, enrolment has increased by 29 students in one year while it was under construction.

The, I guess, narrative that went along with the renewal of St. Peter's, maybe what I'll do is just highlight that a little bit. Regarding Michael Hall, it was constructed in the '20s, in the 1920s, and it was obvious that it was going to require significant renovation to provide better accessibility. And that is focusing on a key goal for us within the ministry, and that is greater inclusion and that relates to affordability, accessibility, and equity issues.

So in addition to accessibility, there's the provision of service and to ensure the integrity of the building. And I think certainly the members opposite on the opposition benches will have some memory of some dialogue that went on prior to the last election regarding some of the needs there, especially in some areas — for example, the electrical and mechanical upgrades — and that related to the long-term viability of Michael Hall.

St. Peter's focused on renovating classrooms, as the member of the committee has said, also replacing and upgrading some of the science labs with more integrated science space. And you know, there was a goal there to be able to partner in key areas with the University of Saskatchewan as well as others. And certainly I think, importantly, the University of Saskatchewan has been a long-standing partner with St. Peter's.

The broader goals is — and obviously this is a very dynamic

community base from which to work; the surrounding areas have a record over a sustained number of years of very, very vital economic activity — and the goal here was not just simply focusing on the institution but also the contribution that this institution has made and continues to make towards the community as well as local area businesses who continue to attract national and international professionals, skilled workers, and their families. And I guess the broader goal, and it's one that we certainly have some sympathy for on the government benches, and that is to try to keep students close to home in rural Saskatchewan. And so those are some of the broader initiatives.

The institutional frame on this, especially when we think about the structural integrity and long-term viability of Michael Hall, in addition to renovating classrooms and computer labs, the library, and making it more learner-friendly and more learner-centred, I think, importantly we can also think about these upgrades providing an increasingly accessible and safe learning environment to support diverse cultures.

As we know, in and around that region there has been a record of population growth, and there is considerable diversity. And again making sure that the institution and, in this case, the very building was helping to play a role with not simply the recruitment but also the retention. Two rural communities of an increasingly diverse and dynamic populace, and part of this goal was to also accommodate people who may have and require special accommodation. And the broader goal here was to make it as inclusive and to remain as caring as the institution had been. So there is a bit of the frame.

Regarding, regarding some of the Industry Canada specifics, which again I want to reiterate, importantly here, the applications went in from the institutions to the federal government regarding KIP. Again the provinces were involved, but the decisions were Ottawa's, and certainly the \$6 million was a decision that was made in Ottawa. From where we sat, we certainly were and remain in favour of attracting and capturing as many federal dollars as we can for the post-secondary students. And I think our track record there, as far as making that effort, has had some successes, not on every file but has had some successes. So regarding the Industry Canada piece, I'm going to turn this to Deputy Isman, and then we'll ultimately hear from Mr. McGrath as well.

[21:15]

**Ms. Isman:** — Thank you, Mr. Chair. The major renewal initiative of St. Peter's College, I think, was proposed as anticipatory areas of growth based on the needs of learners in the area, the needs of the province, as well as the needs of the senior institutions with regard to a distributed model. For certain the notion of distributed learning for nursing education has been ongoing discussions for a number of years of keeping students close to home, and therefore being able to retain them.

I note on the website that Industry Canada does describe these as being the anticipated benefits of the KIP project, the improved use of the existing space, which I think is consistent with what we've discussed, the energy efficiency that would be built into the renewal. As well as the third is really about increases the capacity to train students in advanced knowledge

areas such as red seals trades, and goes on to explain and to utilize nursing and international business administration as examples of other streams which I think would be consistent with a needs-based process within the region, within the community, and to meet the needs of the learners.

**Hon. Mr. Norris:** — And Mr. McGrath? It's been captured so far just with input from the two of us, Mr. Chair.

**Mr. Broten:** — Thank you. I certainly recognize that the knowledge infrastructure program is a federal program. But as we've discussed before in committee, the province certainly had a very prominent role in many of the decisions because the province was contributing, in this case, half of the amount that the federal government was contributing. So it certainly had to have buy-in and support and pushing and prompting by the province as I understand, and I think as most people in the post-secondary sector understand it.

My issue is when we look at the due diligence through the program when making huge expenditures for funding on projects, and in this case a location with a fairly small student base. And we've talked about the per capita or the per student funding going to St. Peter's College compared to the University of Saskatchewan or the U of R or SIAST for example. And we see that clearly the province had to have been backing it.

So I would think when very detailed statements are being made to the program on the benefits with respect to a new program and how that will increase faculty, increase student enrolment, and from the *Edmonton Sun* on October 30th, 2009, there's a story about this. And it says, "Glen Kobussen, from St. Peter's College in Muenster, Saskatchewan, was surprised to learn his college tops the Liberal ranking of beneficiaries." This was a story that came out of, initiated out of Ottawa, I suppose. It said, "The school has 150 students and received \$6 million in funding to renovate its main campus building for a new nursing program . . ."

So the statements in the public were very clear that this was for a new nursing program. But what we've heard tonight is that when it comes to a new nursing program, while it's a possibility that it may exist in the future, as I've had it explained, it's still in a very rudimentary or initial early stages with respect to conversations happening and exploring possible options beyond the one-year option that is available at this time.

So my question is, is that the normal amount of due diligence in making these types of decisions when the province was engaging in this program? Why was there not any fact checking with respect to the level of progress that discussions had occurred, that discussions supposedly had occurred between St. Peter's College and a partner agency for an enhanced nursing program beyond what's currently provided? So my question is, did the ministry receive evidence of advanced discussions with the new nursing program, or is it simply taking members involved at their word that there was definitely going to be a new nursing program?

**Hon. Mr. Norris:** — First of all, Mr. Chair, I want to just offer a couple of correctives to some of the terms or references for the member, and then I'll ask him to repeat that source that he quoted.

This notion that the ministry wasn't doing fact checking is just empirically inaccurate. As far as the decision making that he characterizes, as far as determining federal outcomes, the federal government certainly . . . We were involved in trying to ensure that every federal dollar we could get that we could capture here. But the criteria and the timing and the actual selection process, the final list, those were decisions that the federal government made. Again there was input from the provincial government, but all the way down to key aspects of the announcement . . . I want to make sure that it's understood. I mean, the federal government, this was a \$2 billion initiative that the federal government was driving, and you know, certainly we wanted to make sure we were accessing and maximizing the opportunity.

But I think some of the categorization regarding the ministry's role in KIP, especially this notion that we weren't fact checking . . . Now if I could, if I could just get clarification on the source. I'm just wondering, did the member say the *Edmonton Sun*?

**Mr. Broten:** — The *Edmonton Sun*, yes.

**Hon. Mr. Norris:** — Great. Again, thanks very much, Mr. Chair. As I've noted, the questions pertaining to expansion of both business and as well as nursing, there was a level engagement from the University of Saskatchewan, and that goes back in fact even on some of the fundraising initiatives. The dean of the school of nursing was present and involved.

And so part of this is the rollout of the two-provider model within the school of nursing. And, you know, we're very pleased with our track record in nursing — not only set targets, met targets, exceeded targets. And now with the two-provider model, the institutions, that is the University of Saskatchewan and the University of Regina and SIAST combined, are out undertaking their own due diligence, have already identified that La Ronge and Ile-a-la-Crosse are going to be, are certainly looking like they're going to be moving forward.

And I think for the record, it's important: this is a new initiative at St. Peter's for first year nursing. This is significant for people in that region, it's significant for people in our province. And it sends an important message and that is, as we move forward on initiatives like the Academic Health Sciences building, as we move forward with additional seats for doctors, with additional seats for residents, we also are seeing the respective institutions, based on brand new dollars — if I'm not mistaken, about \$11 million that was announced last year for the two parties, the U of S and U of R-SIAST model — to enhance their complement of seats, thereby ensuring that we're training more nurses. We actually want to see more nurses trained in a greater variety of communities or using new technologies, and we welcome those models.

So I want to reiterate this is new at St. Peter's. And the notion that there wasn't due diligence regarding KIP, you know, the federal auditor has offered an opinion on the federal stimulus programs that rolled out. And it's an opinion and we'll actually get it to read into the record. The opinion is one that's actually quite complimentary, that the rollout of the federal stimulus package or packages actually went relatively smoothly. So not only was the province doing due diligence, but there is a regular reporting mechanism to the federal government through the

knowledge infrastructure program.

And you know, again we always welcome more federal dollars into the province. Just as we've said on any number of initiatives — \$240 million on clean coal, carbon sequestration — that really helped us on a decision that we've recently taken in and around Estevan. On the KIP initiative, between 117 and \$118 million on 21 different initiatives. And I just, you know, I want to be crystal clear. The due diligence on this, not just provincial but there's federal oversight, and we were very pleased to be able to capture and maximize the federal dollars that we did.

**Mr. Broten:** — Thank you. Well certainly the dollars are new, but there is no new nursing program yet at St. Peter's College. And I think that's a very important, important fact. There's the one-year program, but there is not the enhanced program that is being discussed.

On the St. Peter's College website, it states, "All this is to accommodate three super labs in the basement area." And it goes on:

The college's previous labs located on the first floor were seriously out of date and have been on the docket for replacement for some time in order to attract more students to the college. New labs are also needed to accommodate new programs, such as the proposed nursing program that is still under discussion.

And then it goes on: "That part of the floor includes a hospital simulation room, a nurse prep lab, and a treatment room." And it says, "Should the program not come to St. Peter's College, the rooms can be retrofitted for other uses."

So I mean, the rationale as stated by the president was that this money was going in for a big, new expanded nursing program, and it was suggested that, at least from media reports, that this new program was on the way. We see in website reports that that is in fact up in the air. And the project, which is now \$1 million overrun in cost, may in fact need more money if the program is not delivered in order to retrofit space that has already been designed for a program that it is not yet confirmed in there.

So to me, I do see where there was a decision made to spend money. But when talking about this big, new, ramped-up program that would increase enrolment by 300 per cent and increase faculty in the dozens, I don't see the evidence to suggest that that was at a place where it was well developed.

[21:30]

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Mr. Chair, for the record, this is a publication from March 15th. This is from a source, this is from the *Humboldt Journal*. To quote, "Nursing students will be able to take their first year of a new program in Muenster this fall." And you know, Mr. Speaker, Mr. Chair, this is . . . Here we have criticism from the opposition regarding adding new nursing seats to rural communities in our province. And with construction not even complete, 29 more students enrolled in this institution in the last year and here reported a new program.

Now we've gone through in quite a bit of detail, it's not in any way to deny that nursing was on the agenda, but it's simply to say it wasn't the only rationale for acting, regardless of what's provided in a quote from the *Edmonton Sun*. That may have captured a part. I don't know the context from which that quote came. But we've tried to lay out in quite some detail that there was opportunity regarding the business school, regarding nursing, that they were looking for more international students, and to play a broader role in an increasingly dynamic, economically dynamic area of the province.

And if I understand this correctly, the criticism is, well this new program isn't really a new program. Well it is. It's going to provide more post-secondary students more opportunities to study within their home community longer. And we're focusing on actually the end goal: having more nurses graduating from Saskatchewan with a two-provider model. And the hope is that the more they can stay and study in communities closer to their homes that it's going to be more likely that they have retention in those communities, communities that are quickly growing — communities, for example, when we look at the area in between Humboldt and Yorkton, for example.

The questions we're getting these days, and I don't know where the members from the NDP [New Democratic Party] are, but the questions we're getting relate to rapidly growing communities. There's a small initiative out at Jansen Lake that's quickly, quickly gaining international prominence. You might have noticed that just today a company named BHP has relocated new jobs to Saskatchewan because it's actually closing and sending its employees from Vancouver to Saskatchewan. This is going to have a tremendous effect on communities in that region. What we're trying to do is actually enhance and build capacity. That's part of a growth agenda.

So we know the NDP's track record on health in the contemporary era, that is, draw heavily on the myth of Tommy Douglas and rightfully so for the work that he did. Meanwhile, see key institutions within our province like the College of Medicine going on probation, like cuts to health science seats. And when there is growth in key areas, deny that there's a new program, deny that students have an opportunity.

They do have new opportunities. This is a new program. It is based out of St. Peter's and it's done in co-operation with the University of Saskatchewan. I mean, I'm taken aback by the notion that we should not have seen this proceed. And I welcome the kind of line of questioning here because the line of questioning is one where now program delivery is being denied and accountabilities regarding the direction of institutions is being questioned.

We actually want our institutions to succeed. In this case between St. Peter's and Carlton Trail, I'll be the first one to say that more work and better work could have and should have been done by myself. And we are taking some lessons learned from that. But it's not in any way and it ought not to be in any way to detract from the good work that's under way between these two institutions, both of them. One is going to be receiving an award shortly for its work, and that's Carlton Trail for its work with First Nations people. And the second one, which is expanding its nursing program to ensure that more people can actively participate in health sciences in

Saskatchewan.

Thanks very much, Mr. Chair, and I'm happy to proceed along this line of questioning.

**Mr. Broten:** — Well the line of questioning has been respectful. And the line of questioning has been examining the due diligence and the rationale used for making spending decisions all along this process, statements that were made with respect to increase of faculty in the dozens and enrolment by 300 per cent, and that has been the line of questioning. It's been about where public dollars have gone, on what basis, and what checks and balances were in place to ensure that that has occurred.

As the minister identified, there have been a number of missteps along this merger process that was backed, and we're in the process of getting to the bottom of it. Everyone would admit that. That's what this line of questioning has been about, and I think this line of questioning is completely appropriate given many of the missteps that we have seen on this area and the large amount of public dollars that have been spent.

When looking at the merger issue, one of the issues that was discussed was when the minister's office was alerted to potential problems with respect to some of the operations at Carlton Trail Regional College and St. Peter's College during the joint board phase coming out of the report from the chief financial officer and the work that the board was doing or was supporting.

One of the issues, and we talked about this some time ago, was about emails that were sent to the minister's office alerting two problems. It's a question mark I've had because in the email correspondence that has been shared and talked about in the past, it's very clear that minister's email address is listed on two occasions, which to me would suggest that there were two separate emails going to the minister's office. I recall in an earlier scrum it was stated that one email had arrived to the office. And I was just wondering if the minister could provide clarification on that discrepancy, when there's pretty clear evidence that multiple emails were sent but the minister or the office stated that only one was received.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We have record, and this has been after some extensive investigation and examination, we have record of one. We have it coming in at Sunday evening, May 16th, at 9:40, with a general subject line called information. This was then opened the next morning to be logged into the ministry. For reasons that we are still reviewing, that log was never completed. It was opened. It wasn't completed, and therefore it terminated there.

We have undertaken very extensive work done through the independence of the ITO [Information Technology Office]. This is what we have been able to recover. Whether there's a second one or not, there is no record of it having been received, and I can't account for that.

Our interpretation is that likely this came together as a series of emails that arrived together, but that's the extent of the knowledge that I have on the matter. Could've and should've been handled far better by myself. And these are the lessons

learned, that as we reflect on this, as we receive information back from the audits, this will be an area that we'll put into our deliberations as information comes in.

**Mr. Broten:** — Well thank you for the answer. I see in the emails that have been circulated, and we've talked about them before, there is the email of Sunday, May 16th, 2010, from Islay Ehlert with the subject line: information. And on that one on the to line it is: minister.aell@gov.sk.ca. And then there's another one on May 17th, 2010, from an employee from Carlton Trail Regional College where the minister's email address is stated again. But if the investigation has occurred and nothing has been discovered more on that, I guess I'll have to leave it at that.

A question, when we were talking about the proposed merger, and the minister made a statement once in the House with respect to the delay from the time that the report was received and when the formal announcement was made that the merger would not be going ahead. The quote from the House — I believe this is correct or it's very close — and the rationale given was that "... that way we can make sure that local stakeholders are positioned and prepared ...". And it was the talk of allowing people on the ground to know that, through a period of time, that the merger was not going ahead.

My question is, during that window of time, that gap from when the report was received and problems were likely identified, as we know, and then this position then prepared with people on the ground, I'm curious what that exactly means. And I wonder if the minister has a concern that if through the forensic audit process we find that there has been wrongdoing of some sort, is the minister worried that that gap time of allowing people to be positioned and prepared could in fact have been an opportunity for evidence that could've helped with getting to the bottom of the mess, having that evidence destroyed or discarded or covered up in some way? Are there concerns about the length of time that was taken?

[21:45]

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. What I'll do is we'll have Deputy Isman walk through some aspects of the time frame. And I want to be clear on this: I interpret the question to be focusing on between the arrival of the MNP [Meyers Norris Penny] report and then the dialogue with the stakeholders, that intervening time.

**Mr. Broten:** — The gap being from when the minister received a report and then when the failed merger was made public which, I believe, off the top of my head, was about a month's time. And so my question is: when the minister said positioned and prepared, positioning who and prepared in what way?

**Hon. Mr. Norris:** — Given the amount of time, I think, it's probably prudent for Deputy Isman to weigh in and offer some context here and a little bit of information. Then we'll go to Mr. Pandya who will walk through, and then I'll have a couple of comments at the end.

**Ms. Isman:** — Thank you very much, Mr. Chair. The reference to people being prepared wasn't for external people to be prepared. It was the preparation of the ministry with regard to

due process of reporting out the findings of Meyers Norris Penny and ultimately the decision to deny the merger. In fact none of the parties were advised until the meeting actually occurred in March when we went out.

So in terms of what was actually going on and what was important is, once we received the report from Meyers Norris Penny, we needed to ensure that we had proper processes in place and that we understood all of the next steps that potentially needed to be taken — who needed to be involved, who needed to be apprised, what the appropriate processes were, whether they should be done together, whether in terms of joint meetings, or whether they should be done individually.

We did seek advice during that period of time from Saskatchewan Justice in terms of how to handle the allegations and determined that we needed to do further due diligence on those allegations and engage Meyers Norris Penny for that second round of work. So that was happening in that intervening period of time as well.

When we actually then informed the boards, the two institutions through the boards, of the report taken, that was at the meeting that was held on March 16th, and that was the first communication that went out to any individuals outside the ministry and the decisions taken through the minister's office. And so those were the things that we had put in place during that interim period of time.

**Mr. Broten:** — Was it clear — the DM said position and prepare — that was to prepare the ministry for the decision or the ramifications of the decision? Is that what the DM just said?

**Ms. Isman:** — Thank you, Mr. Chair. Just in terms of clarity, it was the period of time for the ministry to do our due diligence with regard to the work. But as well then, we had to extend an invitation to the board members in order to attend the meeting at which point in time we were going to communicate, the minister was going to communicate, we were going to communicate the decision taken with regard to the merger.

**Mr. Pandya:** — Thank you, Mr. Chair. What I can add is that effective March 16th, evening of March 16th when the two boards came together and were convened for the purpose of the ministry communicating the decision on the merger proposal, and at the time the decision was communicated that the merger proposal would be denied. That evening Meyers Norris Penny accompanied us to that event and in fact initiated their, began their work on the second review that evening. So in fact they started working the next morning in terms of collecting documentation and other items that they needed in terms of starting their investigation.

On March 17th, the government issued a news release denying the merger request, and March 18th the media released a memo from the CFO [chief financial officer] to the boards dated May 10th. On March 18th the ministry confirmed the authenticity of that memo with the CFO of CTRC. On March 18<sup>th</sup>, ministry officials met with the Provincial Auditor and pledged our full co-operation to the Provincial Auditor. On March 18th the minister also wrote to both boards asking for an explanation of how they responded to the May 10th memo that was released through the media.

On March 20th, the ministry received responses from St. Peter's College and Carlton Trail Regional College boards regarding how they responded to the memo of May 10th, 2010. On March 20th the minister issued a memo to the ministry asking for a review and a plan to implement best practices in board governance and development of a plan to build tools and training in the ministry.

On March 22nd, the minister requested the Lieutenant Governor to dissolve the board as per section 28(c) of *The Regional Colleges Act*, and an administrator was appointed. On March 22nd, the ministry had a call with the administrator and CTRC staff to follow up on the directions that the ministry had provided to the then previous boards on the evening of March 16th.

On March 24th, meeting with MNP investigative and forensics teams, we received project updates. MNP was on the ground conducting interviews in response to the allegations and reviewing documents, discussing work plans and activities, and the project approach and timelines.

On March 24th, the ministry met with the Provincial Auditor, and the auditor confirmed the ministry is taking the appropriate steps to mitigate risk, assessing the risk to the public, identifying resources that are required in mitigating risk. In the case of CTRC, the Provincial Auditor conducted a review in 2010-11 and believes that the ministry, in appointing an administrator, has mitigated risk. Given that MNP is already doing follow-up, the Provincial Auditor made the determination that they would wait and see the results of the second review before undertaking their regular second audit of Carlton Trail Regional College, and therefore the auditor would complete their review of Carlton Trail Regional College as part of their normal program for 2011-12.

On March 28th, the ministry received an email from St. Peter's College regarding the March 22nd, 2011, board meeting of St. Peter's College pledging their full co-operation to comply with the audit. On March 30th, there was teleconferences with the remaining two national consultancies regarding expression of interest to undertake a special audit. And we developed a grid including criteria for evaluation developed, and that included resources, timeliness, and public sector experience. And this was for the audit of St. Peter's College.

On April 1st, KPMG was selected to conduct a special audit of St. Peter's College. And on April 4th, a call with St. Peter's College informing co-chairs of that college board that KPMG would be conducting a special audit of St. Peter's College. And St. Peter's College, on that day, issued a new motion to fully co-operate with the KPMG audit.

**Hon. Mr. Norris:** — Mr. Chair, if I could, I would just simply say the few weeks that lapsed between the arrival of the report and the taking and making public the decision were, I think, filled with days well-spent as far as making sure that our due diligence was in order.

In hindsight, could we and should we have moved with more alacrity? I think that's one of the lessons learned, and I certainly don't deny that, but I don't think any of the steps that were taken in any way from our part jeopardized the integrity of the



process. The fact that Meyers Norris Penny was there on site when that was communicated to local stakeholders I think sent a message. In fact provision was made for the respective stakeholders to go into their kind of respective rooms and hold separate meetings immediately and that course of action was actually undertaken. And so both institutions immediately took steps to co-operate with the ministry.

So I think what we've been able to determine . . . Again not that there aren't lessons to be learned, but as far as acting with prudence and diligence regarding the Meyers Norris Penny report, I think we've been thorough. And certainly we await the response of the respective audits, again not in any way making any judgment about what those are going to include. But I think we all attempted to be very, very thorough.

**Mr. Broten:** — Well something that wasn't done, once being alerted to many of the problems that existed, was dealing with the joint CEO in any effective way. And that joint CEO remained in that position. It was not until much later that the joint CEO was first suspended and then later on fired.

So in *Hansard* from page 6655, March 14th, 2011, it says:

We've recently received this report, Mr. Speaker. We'll be coming forward with the recommendations in the next couple of days, Mr. Speaker. The reason for that, Mr. Speaker, is that way we can make sure that local stakeholders are positioned and prepared to understand our recommendations and moving forward with the least disruption, Mr. Speaker, to those local stakeholders, and most especially to the students. Thank you, Mr. Speaker [said the minister on March 14th].

While there was, as identified by the timeline by the ADM and the remarks by the DM, while there were steps to be taken with the board and other local stakeholders and groups, many of the concerns, many of the issues, specifically with the joint CEO that was endorsed by the ministry, the joint CEO was left in his position. And my question to the minister: is he worried that the possibility of destroying evidence or other things during that period of time may have occurred during the gap?

[22:00]

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. The reference here I want to make very clear and that is as from *Hansard*, the invitations were sent out to the respective board members. Mr. Kobussen was not invited, nor did he attend that meeting. And it was at that meeting where the decision was given.

What I'll do is I'll turn to Mr. Pandya. I think his very prudent handling of this actually helped to facilitate . . . comes some considerable degree of accountability. Mr. Pandya.

**Mr. Pandya:** — Thank you, Mr. Chair. If I could I would note that in fact two documents were provided to committee on April 11th; that's 73/26 and 74/26. Both of those are memos to the board Chairs of St. Peter's College and Carlton Trail Regional College regarding direction of the ministry post communication of the decision that the merger would not proceed forward. And so these were presented to both boards that evening, and in fact

both boards convened special board meetings that evening and fully complied with the direction.

And in fact the direction that the ministry provided to both St. Peter's College and Carlton Trail Regional College were to immediately resume autonomy and independence of their institutions; to co-operate with the ministry officials while we would lead a follow-up review of outstanding questions identified in the independent consultation process; place the current CEO on paid administrative leave pending the review; in coordination with the ministry, identified an individual consultancy to oversee management of the college while follow-up review was under way; develop an action plan including enhanced governance; and identify non-management board members to act as key communications contacts.

In fact both boards, as I indicated, convened special board meetings where they in effect responded to this direction. In the case of Carlton Trail Regional College, they understood that the first direction which was to immediately resume the autonomy and independence of their institution, would mean that they ended their administrative services contract with St. Peter's College. And this is exactly how they were procuring CEO services. And so that effectively meant that that evening Carlton Trail Regional College had ended its service contract and therefore the CEO's involvement in their institution.

In fact they went further to ensure that they were exercising due diligence relative to computer passwords and codes and so forth. And in the case of St. Peter's College who was then placing their CEO on an administrative leave, they wanted to do that. And in fact, I understand that that occurred the following morning. The evening of the 16th, there was a snowstorm in Humboldt which actually stranded everybody in Humboldt, and so that occurred the following morning.

**Mr. Broten:** — Well thank you, it's good to hear the minister state that at least the acting deputy minister was providing some level of accountability with this merger process.

Has Glen Kobussen requested any type of severance for being dismissed, either himself or through legal counsel?

**Ms. Isman:** — Mr. Chair, we have no knowledge of a request with regard to severance.

**Mr. Broten:** — Thank you. It's the ministry's position that he was fired with cause?

**Ms. Isman:** — Actually, with regard to the relationship with Carlton Trail Regional College, it was a service agreement for services rendered through St. Peter's College. So it is not our view that he was dismissed from Carlton Trail Regional College.

**Mr. Broten:** — Okay. Well cognizant of the time, I want to move on to some other questions, but I do . . . There are many outstanding questions and many more issues on this item. And so I would just ask for the minister's assurance that as the various audits go on by the various agencies, do we have the minister's assurance that there will be full public disclosure of the findings of those reports?

**Hon. Mr. Norris:** — My commitments on this have been summarized in previous comments. They're a matter of the public record. They mean and lead to full disclosure. The proviso being obviously if the Ministry of Justice deems that actions are necessary, then it will take the appropriate action as it sees fit. But as we receive information, we'll make sure that we convey that information to the people right across the province. And we're doing that on a weekly basis as part of our commitment through and to this committee and to the Assembly and to people right across the province. We will continue to do that. And as I say, the proviso being obviously if the Ministry of Justice becomes involved, then it will conduct its work in a fashion that it sees most appropriate.

**Mr. Broten:** — Thank you. Turning to the '11-12 estimates, on page 27 of the 2011-12 Estimates, it shows a reduction of ministry employees from 431.2 FTEs [full-time equivalent] to 413.8 FTEs, a reduction of 17.4 FTEs. My question: is this simply the result of people retiring and not being replaced? And which areas of the ministry will see reducing staffing as a result of this?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I've just got a lozenge in my mouth. I'll just turn this over the deputy minister to comment as this really is the purview of her good work.

**Mr. Broten:** — I apologize. We're talking timing here, so I apologize for being distracted here by talking to the committee Chair. Could you just please quickly summarize what you just stated? I am sorry.

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. I'm just going to turn this over to the deputy minister as this is the purview of her good work and her leadership. Deputy Isman.

**Ms. Isman:** — Thank you very much, Mr. Chair. As noted in the Estimates book, the FTE complement in the '10-11 budget was 431.2 FTEs, and for '11-12 it's 413.8 FTEs, a difference of 17.4. Actually our FTE usage at March 31st of 2011 was actually about 419 FTEs because of the vacancies that we have in the ministry as well as resulting from numerous retirements and attrition.

We are also actually currently undertaking an organizational review within the ministry to ensure that we've actually got the right resources doing the right jobs and doing them in the right way to ensure that we are actually most effectively utilizing the FTEs of government resources as effectively and efficiently as we can. The workforce adjustments, if any need to be made as a result of that reduction in our budget, are completely anticipated to be achieved through retirements and through attrition and through changes in work processes.

**Mr. Broten:** — So the plan as I understand it is to not replace individuals who are retired, and then through the reorganization of the ministry to endeavour to have the right people doing the right jobs. Is that a basic summary?

**Ms. Isman:** — Thank you, Mr. Chair. It is. The one thing that we are certainly cognizant of, we need to ensure that we have the right resources in the right areas to get the work done and to deliver on our mandate. So although in some cases we may

have retirements occur in an area where we don't necessarily want to lose that resource, we may choose to actually fill that resource and have a different vacancy actually be the one that was eliminated because of the organizational work that we do, if we deem that that work doesn't need to be done any more or done in that way.

**Mr. Broten:** — Thank you. Looking at (AE16), the amount allocated to work readiness, employment development has been reduced. Last year's budget allocated \$27.328 million for employment development, and that was found on page 32 of the 2010-11 estimates. This year's budget allocates \$22.350 million for employment development, and that's found on page 30 of the 2011-12 Estimates. That's a cut of 18 per cent or nearly \$5 million. My question: what is the rationale for this reduction and what are the implications of this reduced funding?

**Hon. Mr. Norris:** — Sorry, Mr. Chair. As we look at the line here, I just want to . . . maybe I'm looking at a different line. We're looking under allocations, work readiness, employment development. Is that the area of the question?

**Mr. Broten:** — Yes.

**Hon. Mr. Norris:** — The numbers that we have read differently. And I'll just turn it to the deputy to actually walk through. We would have far greater continuity. I'll just . . .

**Ms. Isman:** — Mr. Chair, if I could, can I just clarify that the number that you're referencing is the difference between the 22.5 million and the 22.35 million?

**Mr. Broten:** — The difference is when I went through these numbers, the 2010-11 estimates for employment development — and I have the 2010-11 estimates here — for employment development it showed \$27.328 million. When looking at employment development in this year's estimates, it shows \$22.350 million. So I'm just wondering, what is the explanation there?

**Hon. Mr. Norris:** — Thanks very much for the clarification.

[22:15]

**Ms. Isman:** — Thank you, Mr. Chair. So I think part of the difference is with regard to a restatement of the last year dollars, and the restatement is actually referenced on page 172 of the '11-12 Estimates. And it was with regard to the employability assistance for people with disabilities, 5.973 million. So in actual fact then when you look at the difference between these two numbers, it's a decrease of the 151,000 or a point seven per cent decrease with regard to employment development services being offered.

**Mr. Broten:** — So if I understand that correctly, it's funding for a program that was typically offered under this pool of funding is now being offered through something else and that explains the reduction?

**Ms. Isman:** — Yes, it actually wasn't a reduction. What we've done is reallocated from another area of our budget to consolidate the investment we're making to support people with disabilities into the area of the program where it is actually

managed and spent to support those individuals.

**Mr. Broten:** — So it's dividing the money in a different way than what had been done in the year before?

**Ms. Isman:** — Thank you, Mr. Chair. It's simply reporting it differently and consolidating it into the area where it's best managed. So there's been no reduction in the monies that are used. We've simply reallocated it within the budget document.

**Mr. Broten:** — Thank you. Looking at the amount allocated to work readiness, youth and adult skill training has been reduced by \$283,000 from last year, found on page 30. What is the rationale for this reduction, and what are the implications for the reduced funding?

**Ms. Isman:** — Thank you, Mr. Chair. The reduction with regard to youth and adult skills training is a \$283,000 decrease. And it's basically the result of \$3.1 million of expiring federal stimulus money for labour market supports offset by a \$2.1 million increase reflecting the provincial contribution to that end, an additional \$350,000 for the SIIT [Saskatchewan Indian Institute of Technologies] aircraft maintenance program, and \$360,000 increase for northern skills training.

**Mr. Broten:** — Thank you. Switching gears a little bit, I've heard some discussion about a capital request from the University of Regina with respect to the College Avenue campus with retrofits and changes and updates that are needed on that campus. I understand that that capital request was not addressed in this budget. Could the minister please explain why it was not addressed in this budget?

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. Certainly the College Avenue initiative received both considerable attention from the University of Regina and considerable attention from the ministry. I would say that that work continues to evolve, and it came in at an early stage of development. And, you know, the ministry is continuing that dialogue.

There are probably two or three components out beyond the specific buildings. First and foremost, there's an interest in Darke Hall and the restoration that that structure . . . Certainly over the course of many years, it's obvious that it remains a very, very important, not just simply historic building, but active and dynamic centre of the arts, not only for the University of Regina but for the broader community. And in fact I would make an argument — I was there not too long ago on a tour — it makes a real contribution to the history of our province. And some of the stained glass windows reflect various post-secondary institutions from across the country. So there's that component.

And then the building proper. Some of the ideas were at one time ways to connect those. And I think it's safe to say that that's under development, questions as well. And my sense is there's some very real and diligent work under way. In fact I expect we'll be receiving a proposal shortly for some student housing. That probably won't be located . . . The proposal won't be focused in and around those buildings specifically. As well I think there's some notion of potentially linking some of the renewal into key areas of innovation, and we're working

and continue to work with the administration. In fact I think the city also has some stakeholders involved, and there are a number of community stakeholders that continue to be involved in this.

And so I would just simply say then the initial notion was somewhere in the range of between 60 and \$70 million. The proposal was for the provincial government to come in somewhere in the range of between 20 and 30 million. No other funders had been identified at that initial stage, and so we've encouraged all parties to focus on what some options are.

I don't think there's, you know, any disagreement about the significance of that property, again, not only for the University of Regina, for the city as well and for people across the province. It's just simply a work in progress. It's taken several years of use and activity within those buildings to get to the state that they're in today. And there's no doubt that there's work that needs to be done, not simply in Darke Hall but in the building proper, and that work is under way. And my sense, stakeholders at the University of Regina are, you know, are committed to this process that's still under way. So I would say it just came in at an early stage of development.

**Mr. Broten:** — Well thank you. It's good to hear that it's on the minister's radar. Wondering if the minister could provide an update on the development of a speech-language pathology and occupational therapy program at the University of Saskatchewan. It's something I've asked about the last two years in committee, an update on where the development of the program is at and when a potential start date might be possible.

**Hon. Mr. Norris:** — Thanks very much. And like the member, I'm, you know, pleased to see the progress. It's connected very closely with the progress on the Academic Health Sciences building.

And so we have, that is, received a draft of the Ministry of Health's 10-year human resource plan. That's an important component. We're going to continue to work not only with the Ministry of Health but also with the Ministry of Education, and that way we can make sure that we have a better understanding of the labour market demand for the occupational therapists and speech-language pathologists.

Currently, as in the past, the member will know that the occupational therapists, the demands from within the province are being met through the University of Alberta, as they have been for many years. That's an intake of about 15 students per year. In fact there are some additional Saskatchewan students that have enrolled at the University of Alberta. The investment from the province is an annual, for this year, \$477,000.

I anticipate that in the coming months the ministry is going to complete our assessment of the proposal that's been submitted and work with the University of Saskatchewan, and I anticipate that for the '12-13 budget cycle, which is consistent with the building progress of the Academic Health Sciences, I anticipate that that's in and around the target timeline for these various entities — Ministry of Health, Ministry of Education, Ministry of Advanced Education, Employment and Immigration — in conjunction with the University of Saskatchewan. I anticipate that's the relative timeline.

**Mr. Broten:** — Thank you for that information. I think it's my last question now or close to it. Going back to student supports (AE03), the amount allocated to the provincial training allowance has been reduced in this budget by \$625,000. That's on page 28 of the '11-12 Estimates. What is the rationale for this reduction, and what are the implications for this reduced funding?

[22:30]

**Hon. Mr. Norris:** — Thanks very much, Mr. Chair. We'll get Mr. Pandya to walk through that. We're addressing some withdrawal of some of the federal dollars, and then we're actually undertaking some work to more closely connect some of our learners into earning, especially during the summer months, and then there was some new dollars that we put in with specific focus on First Nations and Métis students. So Mr. Pandya, maybe you can just walk through what that looks like.

**Mr. Pandya:** — Thank you, Mr. Chair. So the government has continued its investment in PTA [provincial training allowance] with a budget of \$29.19 million in '11-12, and this represents an increase of provincial funding of 2.6 million as part of the First Nations and Métis education and employment strategy in the budget. And this provincial funding increase is partially offset by the end of federal stimulus program funding of \$1.2.

And then the re-profiling of funding for summer break funding, as the ministry indicated, the practice of providing summer break funding to students not engaged in training or employment is ending. And so for those students, we're actually now working with those students to connect them either to employment opportunities or to other skills training programming over the summer that is PTA eligible.

**Mr. Broten:** — Would some of those, for those that do not find employment or qualify for another training program, would social assistance be an option for them?

**Mr. Pandya:** — Thank you, Mr. Chair. The intention of the change in the nature of how summer PTA funding is provided is to ensure that we are maximizing opportunities for individuals to connect either skills training and/or employment. For those individuals who are unable to connect to employment, it's not the intention of the ministry to have those individuals then go into the social assistance program. So our option is to work with those individuals to identify what their specific barriers are and then actually tailor skills training programs for individuals which would be PTA eligible.

**Hon. Mr. Norris:** — Thanks, Mr. Chair. I'll just elaborate. We've had some significant focus on two or three categories of the PTA recipients over the summer. And obviously some of those are going to be in some remote areas, some of those who have kids that are parents as well, and then those with disabilities. And our goal is to, for those that can, to help transition from the learning to the earning; for those that have some additional responsibilities or barriers, to be very reasonable. And our goal is to not have them go through a registration or administrative process into other programs. We've just simply said, listen, let's do our best to encourage those that can, to transition, and those that might have some issues there, we want to make sure this is done with a real sense

of being appreciative and empathetic towards some of the barriers and challenges they have.

**Mr. Broten:** — So if I can, those that are able to find employment, it's the ministry's position — good. Those who do not qualify, the idea is to not send them on to social assistance, but to bend or modify or accommodate in some way that they would stay in some sort of program and can carry on with PTA funding.

**Hon. Mr. Norris:** — Yes, exactly. That could include some additional courses. It could include career counselling and related activities, resumés, and things like that. So what we're attempting to do is make sure that we're attentive to, again, those that I think we would all recognize as having some perhaps additional barriers or challenges. Rather than send them off to another program which brings with it its own series of burdens, where we can, let's be empathetic and make sense of this.

Our goal, in the end, is to make sure that they succeed in their studies. And obviously in some instances we can think of, some of those responsibilities and challenges, we want to make sure we're doing this with some common sense and a great degree of empathy.

**Mr. Broten:** — Does the ministry have a prediction as to how many individuals will successfully go off funding over the summers and how many will stay on? In making this change, is there an estimation?

**Hon. Mr. Norris:** — I think the ballpark if . . . You know we're going to be encouraging and certainly encouraged by somewhere in the realm of, I don't know, between 100 and 200. We'll see how that goes transitioning to the labour market specifically. Others will transition to other skills training programs. And we'll wait to see what that uptake is, and then we'll see. So we anticipate there'll likely be two, three, four streams out of this, and we'll see what those numbers look like.

But we anticipate between 100 and 200 out into the job market, not unlike student loans. That is, you know, the students are receiving them, but they go to work during the summer. Again we don't want this to be overly onerous. We just want to make sure that . . . Certainly what we're hearing from employers as well as from some other stakeholders is, the more we can do to connect the learning enterprise with the earning enterprise, the better the outcomes longer term.

**Mr. Broten:** — Well with that I think my time is over. So I will thank the minister for his responses this evening and thank the ministry officials who have been here for a few hours. So thank you very much, and that concludes my questions.

**The Chair:** — Thank you, Mr. Broten. Seeing there is no more questions, we'll move to vote 37, Advanced Education, Employment and Immigration on page 27 of the main Estimates book, central management and services, subvote (AE01) in the amount of 19,153,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Subvote (AE03), student supports in the

amount of 101,748,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Post-secondary education, subvote (AE02) in the amount of \$609,950,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Immigration, subvote (AE06) in the amount of \$14,661,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Labour force development, subvote (AE16) in the amount of \$108,522,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Major capital asset acquisitions, subvote (AE08), no dollar amount. This is not to be voted. It is informational only, as is amortization of capital assets in the amount of \$1,826,000, again for information purposes only.

Advanced Education, Employment and Immigration, vote 37 in the amount of \$854,034,000. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2012, the following sums for Advanced Education, Employment and Immigration in the amount of \$854,034,000.

Mr. Wyant. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

**General Revenue Fund  
Lending and Investing Activities  
Advanced Education, Employment and Immigration  
Vote 169**

**The Chair:** — We'll move on to vote 169, Advanced Education, Employment and Immigration, page 164 of the main Estimates book. Loans to Student Aid Fund, subvote (AE01) in the amount of \$50,000,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Vote 169, Advanced Education, Employment and Immigration, \$50,000,000. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2012, the following sums for Advanced Education, Employment and Immigration in the amount of \$50,000,000.

Mr. Hart. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

**General Revenue Fund  
Supplementary Estimates — March  
Advanced Education, Employment and Immigration  
Vote 37**

**The Chair:** — We will now move on to the supplementary estimates, vote 37, Advanced Education, Employment and Immigration, page 3 of the Supplementary book. Post-secondary education, subvote (AE02) in the amount of \$78,059,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Advanced Education, Employment and Immigration, vote 37, \$78,059,000. I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2011, the following sums for Advanced Education, Employment and Immigration in the amount of \$78,059,000.

Mr. Hart. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[22:45]

**The Chair:** — Thank you, committee members. Is there any final remarks from the minister?

**Hon. Mr. Norris:** — Well as always I want to make sure that we're appreciative of all our officials from all the ministries, and most especially the ministry that I have the honour of serving. I appreciate their work tonight, and I appreciate their work on an ongoing basis. In addition to that, those that help our committees run so smoothly and operate efficiently and effectively, and a special thanks to everyone who's helping to enable the process. So, Mr. Chair, to you and committee members, my special thanks.

**The Chair:** — Thank you, Minister Norris, and to all your officials. As well thank you committee members and all those watching at home and, again, all the staff of the building, the Clerks, and Hansard, and especially the fellows running the cameras. So with that, I'll ask for a motion to adjourn. Mr. Hart. This committee stands adjourned.

[The committee adjourned at 22:46.]