



STANDING COMMITTEE ON HUMAN SERVICES

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STANDING COMMITTEE ON HUMAN SERVICES

Mr. Greg Lawrence, Chair
Moose Jaw Wakamow

Mr. David Forbes, Deputy Chair
Saskatoon Centre

Mr. Russ Marchuk
Regina Douglas Park

Mr. Roger Parent
Saskatoon Meewasin

Mr. Corey Tochor
Saskatoon Eastview

Hon. Nadine Wilson
Saskatchewan Rivers

Ms. Colleen Young
Lloydminster

[The committee met at 14:59.]

**General Revenue Fund
Advanced Education
Vote 37**

Subvote (AE01)

The Chair: — Okay. The time being 2:59, we'll resume consideration of the estimates and supplementary estimates for the Ministry of Advanced Education, vote 37 and vote 169, Advanced Education, subvote (AE01). Minister Doherty is here with his officials. Minister, it would help if you would please reintroduce your officials and make any opening comments that you have.

Hon. Mr. Doherty: — I shall, Mr. Chair. Thank you, and thank you to members of the committee for continuing our look at the Advanced Education estimates for 2015-16. Just for the record, joining me again this afternoon is Dr. Louise Greenberg, deputy minister of Advanced Education; Mr. David Boehm, assistant deputy minister, corporate services and accountability; Ms. Tammy Bloor Cavers, assistant deputy minister of sector relations and student services. And seated behind me is Scott Giroux, executive director of corporate finance; Mike Pestill, executive director of technical and trades branch; Ann Lorenzen, executive director, universities and private vocational schools branch; Elissa Aitken, executive director of student services and program development branch; Todd Godfrey, director of capital planning; Brent Brownlee, director, universities and private vocational schools branch; and Kirk Wosminity — I hope I said that right, Kirk — director of student services and program development branch.

And I think . . . Have I got everybody? Did I miss anybody? And also my chief of staff, Mr. Tyler Lynch, Mr. Chair, who turns 27, I think, today or something. It's his birthday today. With that, Mr. Chair, I have no further opening comments. I would just welcome questions from the committee members.

The Chair: — I guess I forgot to introduce our members. We have Mr. McCall sitting in for our Deputy Chair, Mr. Forbes. We have Mr. Marchuk, Mr. Parent, Mr. Tochor, Ms. Wilson, and Ms. Young. So, Mr. McCall.

Mr. McCall: — Thank you very much, Mr. Chair. Mr. Minister, officials, welcome back. Mr. Lynch, happy birthday. I don't know if they've given you the bumps yet, but probably being chief of staff in the Advanced Education office is bumps enough all year round.

But thanks very much, Mr. Chair. When we'd left off, we were just around to the capital portion of the budget, subvote (AE02). So if we could pick up there again, in earlier rounds of estimates, we've had some talk about what the capital plan is and how it's arrived at by the ministry. Earlier on in the life of the government, there was some talk of having a capital plan that would be similar in its import to that which was available in the K to 12 [kindergarten to grade 12] education sector.

Could the minister or officials describe what the current capital plan approach is of this government, how the priorities are

determined, and how that is communicated in turn to stakeholders and the public?

Hon. Mr. Doherty: — Thank you, Mr. Chair, and Mr. McCall. I'll ask the deputy minister to address how the planning process works with respect to capital projects.

Ms. Greenberg: — In this past year of '14-15 the ministry developed a student housing framework, and we worked on that framework. The framework sort of prioritizes a number of projects because it's important to be transparent and it's also important to meet the needs of the sector.

To give you an idea of how we do some of our plans, we have multi-year planning cycles. And what we first start to do is we request a master plan from each of the institutions, and that's part of what we use in our multi-plan cycles. As part of the process in developing, for each of them to develop a master plan cycle, we also ask them to use this capital planning framework that has been developed. You know, each of the institutions are at . . . One of the challenges is that . . . not a challenge, but each of the institutions are at a different planning cycle. We all didn't start from zero or this being year one, so each of the institutions are at a different planning cycle in their process in terms of determining priorities.

Within our process in the ministry, we work with each of the institutions during the spring and summer months. We have asked them in the past for capital projects, for priorities. And these projects along with a plan — it doesn't have to be a detailed business case — but we ask them for their priorities. These priorities are then built into our overall capital plan which gets reviewed within government. We of course have the budget process that we use as part of determining the capital plan.

Now in the capital plan there's also new projects and there's also the preventative maintenance. The goal of our major capital and preventative maintenance, which we call PMR [preventative maintenance and renewal], is really to do a few things because we want to be able to be transparent about this.

What we do is that in our PMR, our capital and preventative maintenance and renewal programs and processes, we do look at the projects. We do rank the projects, but these are internal rankings. We don't provide the rankings externally to our stakeholders. We will give them, we will rank the projects internally, and they will be based subject on government priorities and on project information. We do plan to publish the capital planning processes online though for the universities, Sask Polytechnic, federated regional colleges.

The SaskBuilds and the Ministry of Finance are working on a new capital planning framework. And the work started in March of this past year, 2015, and we are going to be involved in providing input along with all the capital plans from all the institutions commencing this year.

Mr. McCall: — Thank you for that. So at what point can the people of Saskatchewan anticipate having a master capital list in front of them in terms of what the priorities are for the sector? And again, this dates back to discussions we'd had in

estimates — I think 2008-09 would have been the time frame — and again the idea being that in the K to 12 education sector, the capital list was arrived at in consultation with the stakeholders. And then of course that was made public and folks knew where their projects were in terms of the overall priority list. And then of course it depended on budget decisions to see that through.

But I seem to recall having quite a vigorous discussion with the minister at that time in estimates as to when that list would be coming along, and the urgency with which the then minister was making the case for it. It seemed like a good idea at the time. I guess that was 2008. It's 2015. When do people get a list that displays what the priorities are in terms of the sector, and then how that stacks up against what is being funded come budget time?

Hon. Mr. Doherty: — Thank you, Mr. Chair. Thank you to the member for the question. I can't speak to the minister in 2008, or what was . . . I'd have to go back and check the record as to exactly what was said at that time. I was living in British Columbia at that time.

But nonetheless, the relationship we have in our sector is a little bit different than the K to 12 sector. The relationship we have with our post-secondary educational institutions is not as homogeneous as it is in the K to 12 sector between the Ministry of Education and the school divisions. So we have asked, and we are working with our post-secondary education sector, for master plans from them with respect to major capital projects over the next 5 to 10 years. We have asked for that, and they are in the process of working on that, albeit some of their projects change from year to year.

On the PMR side, they develop a list. We have funding that we provide, available through the budget process, whatever we can come up with respect to dollars given the fiscal situation of province, allocate those dollars based on a formula, and they determine how they're going to spend those dollars.

We also retain I believe it's \$3 million of this year's PMR budget that can be applied to from the various institutions, that they must provide matching dollars and they can access those funds as well. And that comes in on an application basis and is adjudicated inside the ministry based on priority and the availability of matching dollars.

So we know that on an ongoing basis, there are certain projects that the universities, to use them as an example, are interested in. I think of here in the University of Regina, the College Avenue Campus project is obviously . . . continues to be their number one priority. We have been working with them to determine their business plan for that particular facility, and I think it's fair to say that the business plan is not complete yet. And albeit I know they're out doing some fundraising and working on some other sources of revenue for that particular project, it's not at a point yet where the university can make a proposal to government saying, this is the amount of money we need from government to complete this project, then government puts that into our capital planning process and allocation of dollars.

With the advent of SaskBuilds, there's another step here now

with respect to major capital projects, that we have another set of eyes on it, if you will. It's a cabinet committee: SaskBuilds as well as the officials involved in that particular department. So any capital project now must go through . . . originates from the respective ministry, then goes through Finance and SaskBuilds to take a look at the priority of that project and where dollars might be available.

Mr. McCall: — So again not to belabour the point, but in terms of having a master capital list that is available for the public and that bears some relation to the priorities of the sector and having that widely understood not just by the cabinet committee, by the ministry, by stakeholders, but by the people of Saskatchewan, is there a list like that that will be coming along?

Hon. Mr. Doherty: — That there's been a list that we've asked for with respect to the institutions? We do not have that yet.

Mr. McCall: — Does the minister anticipate when that may arrive? And again my interest in this is, you know, long standing. So I guess it's 2015 and I've got an interest in the list. Any idea when that's going to show up?

[15:15]

Hon. Mr. Doherty: — So the relationships with the universities is a little bit different than perhaps the relationship with the regional college system, if you will. So we have requested a five-year plan from the two universities for their master capital plan. We anticipate that later this year in 2015.

I can't sit here and say that that list, those kinds of lists, will become public with respect to releasing them to the public for consideration. I think that it's fair to say that every single year we receive requests from our post-secondary education institutions for some type of capital projects. And that goes into the mix with respect to all of the different requests we get from our sector partners, both on the operating side and the capital side, to determine through the treasury board process and now with the SaskBuilds process as to what government may or may not be capable of or interested in funding.

So I can't give you a definitive answer that I think you're looking for here today, to say we will receive the list on X, Y, or Z date, and then we will publish that for the public on a forthcoming date after that, because this is a different process for us in establishing a five-year master plan with the universities. We'll work through that process with the internal processes that we have.

Mr. McCall: — So again I appreciate that there's a different relationship between the ministry, the government, and you said the universities, Sask Polytechnic, the regional college sector. In terms of the different relationship though, is it possible to accomplish something similar to this with, say, the regional college sector?

Hon. Mr. Doherty: — The shorter answer is yes, although again with the regional college system, because they are very different from the universities with respect to how they react to labour market demands and the needs for certain capital spaces or physical spaces that require capital dollars to react to labour market demands. So for example, if you're changing a

particular facility because there's heavy demand for power engineering, you need lab space for power engineering. You may build a lab like that in a particular facility in one of their locations across the province that might not be identified today but may be necessary three years from now, again, depending on the labour market changes.

It's fair to say that we receive capital requests, more so on the PMR side with respect to the regional colleges than we do on major capital projects. Albeit we have two of them undergoing, as we speak, in Yorkton and in Weyburn with those two respective campuses.

But developing . . . We don't have a set five-year master plan list. We work with our regional colleges, obviously very closely, through the ministry in determining what physical space demands that they have given the programs that they want to offer or given the program demands that they would have. But it's difficult to say that Parkland Regional College will be doing these programs forever for the next 25 years, therefore we should build these kinds of facilities. That, to my knowledge, has not been the case in the regional college system.

Mr. McCall: — Well I guess it's good to know the current state of thinking in the ministry as regards a master capital list and the availability of that, and the priorities that it reveals to the broader public. And certainly I appreciate that there are some differences throughout the sector and different complexities that demand different approaches from the ministry as they respond. But it's good to know the current state of thinking as regards whether or not a master capital list will be available to the public.

Hon. Mr. Doherty: — I think if I could, Mr. Chair, to the member's question and comment, I appreciate that it's . . . I don't think it's any secret, with respect to the universities, where their major capital priorities lie. I think that they, in conveying that — and I say they, being the respective presidents of those institutions — I think certainly convey where their capital priorities are through their budget process to their constituent groups, be it faculty, staff and students, and alumni.

I think in fairness, Dr. Timmons here, President Timmons here at the University of Regina, has made it known far and wide that the College Avenue campus is their number one priority with respect to a major capital project. And as I think I said last week or whenever it was we met earlier, I'm interested in that project, as I know you are as a Regina MLA [Member of the Legislative Assembly] and as an alumnus of the University of Regina. I believe you are. So we'll continue to work with them to see if we can move the ball down the field on that one.

Mr. McCall: — Well I guess in terms of the PMR capital budget, further on a U of R [University of Regina] theme, in terms of the 50-odd roofs they've got that tend to leak when it's raining, is the minister in a position to say whether or not those roofs will be fixed and we'll be able to clear away the buckets sometime in the next year? Or are we going to be next year 53 roofs leaking yet again?

Hon. Mr. Doherty: — So again to the member's question, Mr.

Chair, I can't sit here and tell you that they'll be able to fix all 50 leaks. I'm not sure where . . . I think you . . . Did you get that from a speech that the president gave? I'm not sure where you get the figure 50 but that's the first I'm hearing of it. I heard you say it once before and I think maybe in one of your speeches you referenced the university president saying that or . . .

Mr. McCall: — It was part of the University President Timmons' address to the Regina Chamber of Commerce in advance of the budget.

Hon. Mr. Doherty: — Okay, so I'm advised that they have identified where they want to spend PMR dollars, so it is their decision where they spend the PMR dollars. And I can tell you that since 2007, late 2007 obviously when this government was elected, we provided to the University of Regina some \$32.6 million, now including the 5.068 million designated for this project, the budget that we're talking about right now. So just in excess of \$32.5 million on PMR dollars that they make the decisions as to where those dollars are going to be spent based on their priority needs.

I can't sit here and tell you whether that's enough money to do everything they want to do PMR. I suspect it's not, but we don't receive the entire ask of the university with respect to — at least I'm not aware of it — with respect to what . . . You know, if money fell from heaven and they could fix everything that they could possibly fix on campus from a PMR perspective, how much would that cost?

And then of course as I said, they have access to the \$3 million — is it called strategic fund? — for strategic priorities, so if they have matching dollars that they can allocate from elsewhere in their capital budget to leverage even more dollars in this year's budget. So specifically to fixing the 50 roofs, I don't know. That's a better question for the vice-president in charge of capital projects at the University of Regina.

Mr. McCall: — But as far as the minister's piece is concerned, there is confidence that the funds have been made available and that the resources are there to get the job done. Is that . . . [inaudible].

Hon. Mr. Doherty: — I think it's fair to say that in this year's budget, given the physical reality that we are faced with in many ministries facing actual cuts including in my own ministry, we were able to deliver a 10 per cent increase to PMR budgets for these institutions. And so aside from major capital projects, what they were telling me in meetings I've had with them is that PMR dollars were very valued, and if we could find additional PMR dollars, then that would be most welcome, and we were able to find a 10 per cent increase year over year from '14-15 to '15-16.

Mr. McCall: — Thanks for that, Mr. Minister. Moving on through the budgets as a whole but still within capital, have we arrived at a final price tag for the Academic Health Sciences Building at the University of Saskatchewan?

Hon. Mr. Doherty: — I'm sorry?

Mr. McCall: — Have you arrived at the final cost or price tag

. . . [inaudible interjection] . . . No worries.

Hon. Mr. Doherty: — It's our fault, not yours.

Mr. McCall: — It's never Hansard's fault. You should know that by now. All right.

In terms of the final costing of the Academic Health Sciences project, does the minister have a final figure that he could get on the record for the committee?

Hon. Mr. Doherty: — Sorry about that, Mr. Chair and Mr. McCall. I just want to be sure I'm not going to say something that . . . Because there's still a wing yet to tender, the university has been very careful on determining what the final budget might be with respect to the total cost of the health sciences complex.

But what I can tell you is that the Government of Saskatchewan, both your government and our government, have provided a total of \$229.3 million in grant funding so far, and the University of Saskatchewan has borrowed approximately \$71 million. So around \$300 million has been budgeted for the projects that have gone on to date. And I think they're doing . . . is it B wing this year? And there's A wing yet to do, and that has yet to be tendered. B wing was tendered I believe last June, or they signed off on the tender last June. Am I right on that, Tammy? June of 2014? I remember it was shortly after I became minister. I signed off on a letter, and I was appointed in June of last year.

So about \$300 million has been budgeted and allocated for construction that has been tendered and awarded to date, with the A wing yet to go.

Mr. McCall: — I thank the minister and officials for that answer. In terms of the dollars under consideration this year, is there a portion that is dedicated to that project under consideration here today? Or is it just sort of the ongoing work that is accompanying this project?

Hon. Mr. Doherty: — There is \$7.9 million specifically budgeted for the health sciences project in capital dollars, this year's budget.

Mr. McCall: — Thank you for that, Mr. Minister. Is there any funding provided by the ministry pursuant to the Gordon Oakes-Red Bear Centre for the University of Saskatchewan campus?

Hon. Mr. Doherty: — So I'm advised, no.

Mr. McCall: — Thanks for that answer. It's related to the Academic Health Sciences Building certainly. But can the minister inform the committee as to his understanding of the current state of affairs for the College of Medicine and the whole question of probation? Is there any sort of update that the minister can provide to the committee at this time?

[15:30]

Hon. Mr. Doherty: — I appreciate the question. It is an issue that is of concern to all of us as legislators and certainly to the

people of Saskatchewan and most certainly to the University of Saskatchewan with respect to the accreditation process at the College of Medicine.

What I can tell you is that I've had a number of meetings, along with officials and my staff, with the university, senior university officials from the president on down, and the dean, the new dean of the College of Medicine, Dr. Preston Smith. I don't know if you've met Dr. Smith yet or not, but he joined the College of Medicine last summer in 2014 from Dalhousie University where he was an associate dean, I believe. Maybe he was even dean at Dalhousie. I'm not exactly sure.

In any event, Dr. Smith undertook a process to review exactly what had gone on with the College of Medicine and where it needs to go to receive full accreditation status or remove the probationary status from it, I should say. It's still a fully accredited College of Medicine right now, but it is on probation.

So Dr. Smith has filled various senior academic roles, administrative roles in the College of Medicine: I believe four vice-deans or associate deans in the meantime and a chief financial officer who I've had the opportunity to meet with on a couple of occasions as well. We've also had meetings with the Minister of Health, joint meetings with the Minister of Health and his senior officials; with the dean; with the Regina Qu'Appelle Health Region and with the Saskatoon Health Region because they both have interests in the College of Medicine.

What I can tell you is that the next accreditation visit is scheduled for this May, and Dr. Smith tells me that he believes that he's not anticipating the probationary status to be lifted. If they meet the various criteria this May, it will take probably a two-year process for the next accreditation visit post-May of 2015, which is scheduled for sometime in 2017, to achieve full . . . the removal of the probationary status.

Now that being said, we do know that there has continued to be dollars set aside by the University of Saskatchewan and the College of Medicine into a fund that is available to them that totals in the neighbourhood of about \$80 million now that has been accumulating over the last number of years, dollars provided by government to ensure that they have sufficient funding, whatever they may need with respect to the accreditation process, the probationary removal process.

The biggest issue that they're dealing with now is ensuring that they have an academic clinical funding plan in place with their faculty. In many cases these faculty members work both as physicians seeing patients in the larger community as well as doing research and teaching med students at the College of Medicine. I'm advised by them that their facility spaces they believe are well up to par, well up to standard now with respect to what the accreditation bodies will look for.

With the funding available for them — these are his words, not mine — that funding is not the issue that he sees at all. It's not a matter of government not providing sufficient dollars or the university not providing sufficient dollars for the accreditation body to say confidently that you are fully funded and well funded and looks to be well funded into the future.

The biggest issue right now is working with the faculty association at the University of Saskatchewan to determine how many physicians work in the College of Medicine dedicated to a complement of teaching, research, and seeing patients ratios. And this has been a long-term historical issue. I'm not saying it's a problem. I'm just saying it's been an issue with respect to faculty members, being on faculty at the University of Saskatchewan, receiving a salary from the University of Saskatchewan as a faculty member at the same time as seeing patients and obviously billing back to the health care system for seeing those patients.

I think Dr. Smith has said that one of the problems over the last couple of years in moving this process along has been the interim leadership at the college in the sense that there was not a full-time dean and full-time vice-deans or associate deans in place. And with his appointment with a five-year term last summer and filling up those positions with respect to his senior management team I know has brought some real stability to that particular faculty, he feels fully confident that they have in place all the necessary steps to meet the accreditation body when they come to visit in May. So I hope that that answered your question.

Mr. McCall: — Well thank you very much for the update, Minister, and certainly it's a hugely important institution for the province and glad to hear of progress being made on the file. If the minister could expand a bit on the whole question of physician-led research. He's correct; it is an issue of some standing. What's the immediate sort of anticipation around some kind of plan that brings satisfaction in terms of that work that is ongoing with the health regions?

Hon. Mr. Doherty: — It's a good question, Mr. McCall, and again in some meetings that I've had with Dr. Smith, Dean Smith, and the Minister of Health and Ministry of Health officials and Ministry of Advanced Education officials, a lot of that aspect of what you're asking about is in the Ministry of Health component.

But what I would say is that Dr. Smith is . . . When he was at Dalhousie University, he was in charge of the distributive medical education program there, having physicians go out to do their internships with the residencies in various locations around the province. We now have those at Saskatoon, Regina, I believe Prince Albert, Moose Jaw, and he's looking at I think Yorkton and perhaps Swift Current. So that's critically important for the distributive medical education component.

On the research side, I'm going to let Tammy speak to that with respect to the three objectives that he's identified or that have been identified and what they're doing towards achieving that research component.

Ms. Bloor Cavers: — Hi. Tammy Bloor Cavers, assistant deputy minister, sector relations and student services. So just to segue the minister's comments, there is a couple of things the College of Medicine and the University of Saskatchewan has done to focus on that.

In response to the accreditation bodies and an action plan that was developed back in December of 2012, in addition to preparing what they called *A New Vision for the College of*

Medicine, September of the following year, 2013, the College of Medicine released an implementation plan, and that was entitled *The Way Forward*. And as a part of that document, there were three, I would say, primary objectives or goals that were documented in that plan, one of which was the research component.

Essentially their thoughts are to reconceptualize the entire research framework that that College of Medicine is working within. And in order to produce what they would call translational research and approved patient outcomes and focus on key priorities of government and health care services for the people of Saskatchewan essentially, time and resources need to be allocated between research and clinical services to best reflect the College of Medicine's role as an academic health sciences centre. Obviously with the significant investment in the academic health sciences centre, they will be able to achieve that.

Mr. McCall: — Again, good to hear. It's an important institution and any progress is much welcome.

In terms of moving on through the subvotes — you're like, wow, he's just jumping around here — back into the subvotes, (AE03), I guess a question around the Student Aid Fund off the top. Was it fully subscribed last year? What took place with the Student Aid Fund?

Hon. Mr. Doherty: — So I appreciate the nature of the question in the sense of, was it fully subscribed? We don't tend to view it that way in the sense that there are dollars allocated and, as you well know, if there's additional dollars needed because the demand was higher than what the dollars were budgeted for, then there's a supplementary estimate.

What I can tell you is that every student who qualified for a student loan received one, and the budget, the allocation for this year did not change at all. So we're kind of at that threshold where we did not have to go back for additional dollars this year, so we kind of think that we're around the level that we need to be to provide the necessary funding.

Mr. McCall: — Thanks for that. The graduate retention program, in terms of the way that it's characterized in the subvote, it goes from the booked expenditure of \$27 million to zero. Now is that because it's been relocated in the budget? Or I guess, you know, it gets into a number of questions in terms of refundable tax credit versus a non-refundable tax credit and the working of the program. But could the minister clarify, is this, has it been moved somewhere else into the budget and is that \$27 million reflected somewhere else in the estimate books before us here today?

[15:45]

Hon. Mr. Doherty: — I think it's fair to say that I heard a couple of times during the course of the budget debate that the program was eliminated or that the allocation was eliminated. I'm not suggesting you said that. I said I've heard it a couple of times, that the budget allocation was eliminated. And I think it's . . . What happened here now is, because it was an expense item in the Ministry of Advanced Education for the refundable portion of the previously existing graduate retention program,

there were dollars expensed through the Ministry of Advanced Education as the refundable portion. Anything on a non-refundable tax credit shows up as deferred revenue in the Ministry of Finance.

So I'm told if you look on page 63 — I'm not sure if it's the Estimates book or budget book — page 63, it talks about graduate retention program tax credit under Ministry of Finance. It shows up as \$54.6 million. And the reason being is that because they estimate what they're going to have to pay out, or not pay out I guess, with respect to deferred revenue over the course of 10 years — because the program goes out over 10 years now, so it's a little complicated in trying to understand where all the numbers are — but in total, we estimate a \$88 million cost to the program in '15-16 that will be potentially amortized over 10 years.

Mr. McCall: — Is there a way to get a year-to-year comparison in terms of what the overall, combining both the tax expenditure and what's booked under the Ministry of Finance and what the Ministry of Advanced Education is responsible for? Is there a way to get an apples-to-apples comparison in terms of overall cost to government last year to this?

Hon. Mr. Doherty: — So in 2014-15, the fiscal year we just finished, there was an actual ministry expenditure of \$27 million estimated — we haven't obviously finalized the numbers yet; people haven't filed all their tax returns yet — a ministry expenditure of 27 million and reduction in tax revenues to the Ministry of Finance of 55 million. And then that total number has now been increased. So that was 82 million; it's been increased to 88.1 million for '15-16, all in the Ministry of Finance as reduction in tax revenues, estimated.

Mr. McCall: — So the benefits, changing the nature of the instrument, moving from a refundable tax credit to non-refundable tax credit has resulted in an increased booked value for the program with the government. Am I understanding that correctly?

Hon. Mr. Doherty: — If everybody who's eligible accesses it, yes.

Mr. McCall: — I'll be very interested to see if that's the case.

Hon. Mr. Doherty: — There's more graduates every year accessing the program, right? And what we do know is that upwards of two-thirds of the people existing right now only access the non-refundable portion of it. The other third access the refundable portion of it. Most of them are in their first year of applying to the program. The vast majority of them are in their first year of applying to the program. As they get jobs and start developing, obviously, provincial tax payable, as we said, two-thirds of them move into the non-refundable in the existing program already.

Moving to more and more students graduating and accessing the program, the estimate is for the cost of the program to go up if everybody accesses it.

Mr. McCall: — In terms of the two-thirds/one-third, can the minister state for the record how many individuals that references?

Hon. Mr. Doherty: — So again, not having the benefit of everybody filing their income tax or having the data yet, the projection is that there'll be about 54,000 individuals that will have accessed the program for this past tax year 2014 — 18,000 of them in the refundable component, 36,000 in the non-refundable component.

Mr. McCall: — How many of those individuals would have been coming from out of province, how many within the province?

Hon. Mr. Doherty: — About 15 per cent, and I'm sure that would be broken down. Do we have the breakdown of how many refundable versus non-refundable then?

A Member: — No.

Hon. Mr. Doherty: — No, we don't have that breakdown, but about 15 per cent of the total certificates granted are from out of province.

Mr. McCall: — It's been interesting watching the evolution of the file over the years and moving from tax credit to the 2008 to present format, and then the new changes brought in at present. One of the things that had been changed after the government changed in 2008 was, later on, the ability for out-of-province individuals to access the program. That change was made relatively early on and was a good change in terms of putting out the welcome mat for students coming back from out of province if they'd gone away to study or welcoming people from throughout Canada back here to the province.

As regards graduate students, it remains some unfinished business as concerns the graduate retention program. And certainly we've heard from graduate students that as they were studying, and of course with the diminished income, the graduate retention program in its previous form helped to underwrite their graduate studies. Now what I've heard from graduate students is a desire to be included in the program — full stop, period — let alone the change that has been made by the government and how that will or will not impact their income for the year to come for graduates that are just, graduate students that are just starting out.

Was there any consideration made on the part of the government in terms of what this support could mean for graduate students? And again, in terms of the value-added proposition that constitutes for research, for innovation, for the economy as a whole, was there any sort of consideration of what this would mean for graduate students in terms of the change made? And was there any consideration of moving it in a different direction in terms of allowing them access to the program as a whole?

Hon. Mr. Doherty: — I appreciate the question, and I've heard the same concerns expressed to me in discussions with various graduate students or their spouses. I think it's fair to say that there was serious discussion on a number of fronts during the treasury board process as to what the program could look like moving forward.

And as I think I stated earlier when we met a week or two ago, as the numbers were changing literally daily with respect to the

revenue projections that we were faced with, any notion of expanding the program at this point in time I think just simply wasn't on. And what we were trying to do, what I was trying to do as Minister of Advanced Education responsible for the file was to ensure that we could keep the program sustainable and still provide a benefit for our undergrad students and those that are going to technical school as well.

And you know, as far as a retention program I think it's, you know, by any measure it's been a successful program. But given the financial situation of the province and given the fact that even with these changes, graduate students who may graduate and then go on to a couple of years master's program will still have the opportunity to benefit from the program getting into the workforce, who typically start careers at, on average, a higher salary level than those with an undergrad degree could still benefit from the program.

Does it answer all of those questions or those concerns by grad students? No. I readily admit that. And I think that in the future if I'm fortunate enough to be here or your party in government will probably have to take a look at where some of those holes may exist with respect to providing a benefit for those that go on who — we want to keep graduate students here; I agree with you — who go on to do doctoral degrees and stay in the province and do research. I couldn't agree with you more. This particular year was not the year to be able to expand that though.

Mr. McCall: — Thank you, Minister, for the answer. I guess one last question I would have, and noting where the hour is at, in advance of a tough budget there was a request went out to third parties sort of writ large across the province in terms of wage freezes, in terms of restraint. And again there's some notion that in terms of out-of-scope or the administrative function of different third parties — be it in the Crown sector, the public service — but in terms of the request that was made of the post-secondary sector, what did that accomplish? What sort of co-operation was there in terms of, for example, with the university's saving on the administrative component while not taking away from the front-line service delivery in terms of teaching and research that goes on?

Hon. Mr. Doherty: — Again, thank you for the question. I'm advised . . . You're correct. We did ask, where we have a direct relationship with post-secondary educational institutions, we've asked them to honour what the Premier has directed in the Crown sector and in the executive government sector. Because regional college's fiscal years are different than government's, and they start June 1st, this will impact June 1st, '15 to May 31st, '16. At Sask Polytech, it's a July 1st start for their fiscal that it will impact.

We've asked them to do as we've done in government, for their out-of-scope management positions to honour the wage freeze. The universities are still conferring with their board of governors, the respective boards of governors, as to what they're going to do. We don't have direct control, as you well know, over the universities, so both presidents have told me that they will provide advice to their boards. And their boards will determine exactly where they end up, but we have not been told where that's going to be in a final form yet.

And as far as putting a dollar figure on it, we won't know the dollar figure until we get well into next year because of the . . . how many positions are going to be filled at these regional colleges and Sask Polytech that will actually have an impact with respect to saving the wage freeze that you suggested.

[16:00]

On the expenditure restraint control, in any event, a number of institutions wrote back to me talking about curtailing out-of-province travel and doing the same thing the government's been asked to do in both the Crown sector and executive government and ensuring that there is no, I hate to say, unnecessary travel. Because why would you do it in the first place? But where they can reduce expenditures by perhaps not going to a conference or a training session or something of that nature, we asked them to do that.

Mr. McCall: — I thank the minister for the answer and thank the minister and officials for consideration of these Advanced Education estimates given that we've reached the agreed-upon hour of conclusion.

The Chair: — Minister, I'd like to thank you and your officials for being here today. Do you have any closing remarks?

Hon. Mr. Doherty: — I would just simply like to thank you, Mr. Chair, and committee members, and thank the opposition critic, Mr. McCall, for the thoughtful questions and the good dialogue, and then in particular thank officials who spend an awful lot of time ensuring that we provide the detail and answers that committee members ask for. So thank you to the officials and all committee members.

The Chair: — Do you have more officials coming in for the consideration of the bill? Do we have to . . .

Hon. Mr. Doherty: — If we could take a five-minute recess, Mr. Chair, while we change up team members, if that's okay?

The Chair: — Okay. The time being 4:01, we'll take a five-minute recess and be back here for consideration of the bill.

[The committee recessed for a period of time.]

Bill No. 143 — *The Degree Authorization Amendment Act, 2014*

The Chair: — We will now consider Bill No. 143, *The Degree Authorization Amendment Act, 2014*, clause 1, short title. Minister Doherty, if there's any new officials that need to be introduced and any opening comments you'd like to make?

Clause 1

Hon. Mr. Doherty: — I would. Thank you, Mr. Chair, and thank you to committee members this afternoon for deliberation on this amendment to *The Degree Authorization Amendment Act*, Bill 143.

Before I begin, I'll make a few introductory remarks, Mr. Chair, but allow me to introduce officials that are joining me here this

afternoon. Again Dr. Louise Greenberg, deputy minister of Advanced Education, to my immediate left; Tammy Bloor Cavers, assistant deputy minister of Advanced Education; Ann Lorenzen, executive director, universities and private vocational schools, Advanced Education; and Philip Cameron, director, universities and private vocational schools, Advanced Education; and my chief is still here. He's not gone out to eat birthday cake yet. Mr. Chair, hopefully my throat and voice hold up this time.

Last November I had the opportunity to introduce Bill 143, *The Degree Authorization Amendment Act*, and we're here today to consider the bill in a little more detail. The key changes to the legislation are amending section 4 by replacing the date, November 30th, 2016 — 2016 — with the phrase, until a prescribed time; and adding a regulation-making power to section 23 authorizing the prescribing of the end date in *The Degree Authorization Regulations*.

I would like to begin by explaining why these proposed amendments are necessary. When the Act was proclaimed in October 2012, four institutions were grandfathered so that they would have time to meet the requirements of the Act in ways that would not negatively affect students. The four institutions are Athabasca University, Briercrest College, Cape Breton University in partnership with Great Plains College, and Lakeland College.

Having now administered the legislation for just over two years, the Ministry of Advanced Education has determined that three of the four grandfathered institutions will require additional time beyond the current end date of November 30th, 2016 to come into compliance with the legislation.

Mr. Chair, and committee members, the grandfathering period end date is specified in both the Act and the regulations. The ministry is proposing that the end date be removed from the Act and specified only in the regulations. Once the bill is passed, the ministry will bring forward proposed amendments to the regulations in 2015-16. One of the proposed amendments will be to extend the grandfathering period from November 30th, 2016 to June 30th, 2020.

I would now like to briefly review what impact this change will have on the four institutions that are currently grandfathered, beginning with Athabasca University. With regard to Athabasca University, when the Act was proclaimed in 2012 it was not clear whether certain aspects of Athabasca's outreach model might be subject to the Act. The extended grandfathering period will give Athabasca more time to clarify its position relative to the Act and address any compliance issues that it may identify.

In Briercrest's case, Mr. Chair, Briercrest College currently offers seven theological degrees that are named in a way that does not meet the nomenclature requirements for theological degrees as specified in the regulations. These seven degrees will be added to the list of grandfathered programs when the regulations are amended later this year.

There are three ways by which Briercrest can come into compliance during the grandfathering period. First, Briercrest could apply to have some or all of the seven grandfathered degrees authorized. Second, Briercrest could change the names

of some or all of the seven degrees so that the new names comply with the naming requirements for theological degrees. And third, Briercrest could suspend some or all seven degrees.

Mr. Chair, Briercrest's preferred path to compliance is authorization. However, with only two years remaining in the grandfathering period, this option is simply not feasible based on the process for degree authorization. Extending the grandfathering period is the best option, keeping the interests of students at the forefront.

With respect to Cape Breton University, Mr. Chair, Cape Breton University partners with Great Plains College to offer a Master of Business Administration in community economic development here in our province. Cape Breton University must apply for authorization if it intends to continue delivering this program beyond the grandfathering period.

Mr. Chair, prior to 2014 we did not have quality assurance standards in place for graduate level programs such as master's degrees. In 2014 the Saskatchewan Higher Education Quality Assurance Board developed graduate level standards which were approved by the previous minister in May 2014. With the graduate standards now in place and with the extended grandfathering period, Cape Breton University will be able to apply for authorization if that is what it intends to do.

And finally, Mr. Chair, Lakeland College was originally grandfathered to allow sufficient time to determine if it had a physical presence as defined in the Act in our province. It has since been determined that Lakeland College does not have a physical presence in terms of offering any degree programs in Saskatchewan. As a result, the ministry will propose that Lakeland be removed from the list of grandfathered institutions. This change will be part of the forthcoming regulatory amendment package. If Lakeland's degree-granting activities change in the future such that the Act is found to apply, then Lakeland will be required to comply.

Mr. Chair, March 2014 the ministry posted the proposed legislative amendments to the Act on the ministry's website for public review and comment. The ministry also consulted with the institutions that will be directly impacted by the proposed legislative change and with the broader Saskatchewan post-secondary sector, including students' and graduate students' associations and the Briercrest College student government. No concerns were raised regarding the proposed amendment of the Act.

Mr. Chair, I would like to emphasize that these are the only changes to the Act being proposed at this time, and I would be pleased to entertain questions from committee members. Thank you.

The Chair: — Thank you very much, Mr. Minister. Are there any comments or questions on the bill?

Mr. McCall: — Thanks very much, Mr. Chair. A few questions, and certainly I appreciate the remarks put on the record by the minister concerning a bit of a status report and also some of the work that's gone in.

I guess one of the questions I'd have, if the minister could

expand on the involvement — and this was referenced in his second reading speech of November 4th, 2014 — but certainly it's a relatively new body in the province in terms of the work of SHEQAB [Saskatchewan Higher Education Quality Assurance Board], which is also a great acronym, I've got to say. But the Higher Education Quality Assurance Board, what involvement had they in the work around the amendment that we have in front of us here today?

Hon. Mr. Doherty: — Mr. Chair, if I could, I think I'm just going to ask Philip to outline. He's the liaison between the Ministry of Advanced Education and SHEQAB. And Philip, maybe if you can outline for the member the relationship between SHEQAB and the changes here today.

[16:15]

Mr. Cameron: — Sure. The board doesn't have any direct involvement with the legislative process. However, it was when the board came into existence and first implemented the quality assurance review process that it became apparent that in order for the process to unfold properly, the time involved was going to make it impossible, particularly for Briercrest, to run all of the degrees it intended to run through the process. It told the government it intended to run through the process by the original deadline of November 2016.

Mr. McCall: — I guess it would be wrong for me to bootleg in additional questions about SHEQAB and different of the work that's gone on to date in terms of changes that have been made to degree authorization. But with the minister's urging, why not?

How many degrees have been granted, say for example with Briercrest? I believe it was 2013 where the authority was devolved to BBC [Briercrest Bible College]. That would be one question, and follow-up would be around a psych nursing degree under the then SIAST [Saskatchewan Institute of Applied Science and Technology], now Sask Polytechnic. How's that program coming along? But how many degrees in general have been . . . Or how many students are we talking? What's the outcome been to date of this evolution?

Mr. Cameron: — I'm not sure that any degrees have been granted yet because authorization for both the programs you mentioned, the Briercrest and the formerly SIAST, now Saskatchewan Polytechnic program, the authorizations were issued relatively recently and the students would have started into the program subsequent to authorization. So I think the first intakes in those programs would have been September of 2013.

The Sask Poly degree, the psych nursing degree, is a two-year . . . It's a two plus two. You do the diploma, then you do two years for the degree. So I suppose those students would be graduating now. I don't know the number of students; I can't tell you that. And the same with Briercrest.

Hon. Mr. Doherty: — If I understood your question, and maybe I misunderstood your question, but I think there's been three degrees that have been authorized.

Mr. Cameron: — Oh yes. Are we talking about authorized degrees?

Hon. Mr. Doherty: — Yes.

Mr. Cameron: — I'm sorry. Yes, three degrees have been authorized.

Hon. Mr. Doherty: — By SHEQAB?

Mr. Cameron: — That's right. Sorry if I misunderstood. The humanities degree at Briercrest — actually four degrees; excuse me — the psych nursing degree at Sask Poly, and then recently the B.A. [Bachelor of Arts] in English and the B.A. in history at Briercrest have been authorized.

Mr. McCall: — Thank you very much for that. And again I was maybe not making myself as clear as I should, but good to know the number of degrees involved. And I guess any idea of how many students would be involved in those programs?

Mr. Cameron: — We asked Briercrest not too long ago about the number of students in the humanities degree, and my recollection is that it was in the neighbourhood of 30 students. I don't know that we've ever asked Sask Poly about the enrolment in the psych nursing. If we have that, we could find it out but I don't know offhand.

Mr. McCall: — Thank you for that. In terms of the other degrees that were referenced around the work that Briercrest needs to continue, which degrees are those? And how is it that they need to be brought in line with the . . . What's the appropriate nomenclature?

Mr. Cameron: — The seven degrees are an associate degree, an Associate of Arts in humanities; a Bachelor of Arts in music; an Associate of Arts in music; an Associate of Arts in social sciences; a Bachelor of Applied Linguistics; a Bachelor of Arts business administration; and a Bachelor of Arts general studies. Those are the seven degrees that don't meet the theological degree nomenclature requirements and so therefore are grandfathered and will have to come into compliance one way or the other.

Mr. McCall: — And again, to be very clear on the timelines going forward in terms of the regulations and in terms of the prescribed time, if you could just restate those for the record.

Mr. Cameron: — The dates for compliance? Currently the date is November 30th, 2016. The proposed amendment, the amendment to the Act is to remove the date, and then in a subsequent regulatory amendment it'll be June 30th, 2020.

Mr. McCall: — That's it for my questions. Thanks very much.

The Chair: — Are there any more questions or comments from any committee members? Seeing none, we shall proceed to vote on the clauses. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 5 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly, enacts as follows: *The Degree Authorization Amendment Act, 2014*.

I would ask that a member move that we report Bill No. 143, *The Degree Authorization Amendment Act, 2014* without amendment.

Mr. Parent: — I so move.

The Chair: — Mr. Parent moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. I would ask a member to move a motion of adjournment.

Hon. Ms. Wilson: — I so move, Mr. Chair.

The Chair: — I recognize the minister.

Hon. Mr. Doherty: — Thank you, Mr. Chair. Before I move to adjournment, I just want to thank again Mr. McCall for the questions. I read through your second reading speech and I understand you have a family history connection to Briercrest and I was struck by that, so I appreciate your support on this. And I just want to thank officials for helping us out with the technical questions, particularly Philip. Thank you very much. And committee members, and Mr. Chair, thank you so much.

The Chair: — Ms. Wilson has moved. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned until April 16th, 2015 at 1:30 p.m.

[The committee adjourned at 16:23.]