

April 19, 1990

Public Hearing: Department of Education (continued)

Mr. Chairman: — Call the officials in.

Good morning, Mrs. Rourke, ladies and gentlemen. When we left off last day I think, Mr. Rolfes, you had the floor, and I turn it over to you.

Mr. Rolfes: — Thank you, Mr. Chairman. Mrs. Rourke, last day I asked a number of questions on student loans, and I was hoping that some of that information may be available to the committee this morning. Could you advise me whether that information has been tabulated.

Mrs. Rourke: — Mr. Rolfes, I regret to advise you that it hasn't been completed. They were working on it up till the end of last night, but unfortunately the head of our student loans has been away. But it is being worked on and we will have it to you, I would think, within the week.

Mr. Rolfes: — Okay. Before I leave student loans, I noticed a statement made by — if I can find it very quickly here — by a . . . is it Mrs. Archer?

Mrs. Rourke: — Yes.

Mr. Rolfes: — Mrs. Archer, that student loan default really were not a problem. Can you tell me, the year under review, what percentage of default did we have in student loans, and was that per cent in 1987 different from what we've had in the past? And could you tell me the total amount of default, per cent, and then the total amount?

Mrs. Rourke: — Mr. Rolfes, I'm not sure if we have that information, but . . . No, I regret that I cannot tell you that, but we will get that to you immediately.

Mr. Rolfes: — No criticism intended in my next statement, but I find it rather strange that the department wouldn't be interested in knowing what the default, percentage of default is, and whether or not that percentage of default in any particular year differs, you know, from the average. I would think the department would want to know that, particularly the amount, not necessarily the per cent.

But you know, if you give out 50 million and you have 500,000 default or a million dollars in default, maybe that's not a big problem. I have some concern about that, and I'm restricted in my questioning to the year under review, but should I remain on this committee in the future, I want to tell you that I will be questioning the officials on that, and I would hope they would have that information for the committee.

But I think it is important that we keep tab of the public funds. And I am particularly concerned, as you note from my questioning on moneys that have been made available to private vocational schools. That has gone up dramatically. And again, I can't refer to this year, but I will want to see what the trend has been and what the default has been.

I can tell the committee, and from my own personal

experience in this past year, that I've had a lot of students come to me. A lot, I mean, students come to me about student loans who just feel that they have no opportunity to pay back that student loan because of the programs that they have taken and no opportunities and the certificates not being recognized. And that's a real concern that I have, and I will pursue that with the minister in estimates when they come up.

Mrs. Rourke: — Mr. Van Mulligen, if I may, we are of course interested in defaults, and all of that is tracked. I'm not sure of the context of the quote that you're quoting from Mrs. Archer but we will . . .

Mr. Rolfes: — I have it here somewhere. If I can just find it, I just saw it this morning, where she . . . and I'm not being critical. She is simply saying that I think there was only a 1 per cent default, if I remember correctly, and I have no quarrel with that. All I'm saying is that if she was referring to 1987 or whatever, I just want to alert the department that I am concerned about what's happening to the defaults . . . I want to make it very clear, it does not just pertain to Saskatchewan. I think it's a problem right across Canada, and it's something I think that we should be aware of if we are doling out public funds for programs which may be dead-end programs and there's no opportunity to pay it back, the student loan. That's my only concern. I'm not being critical of the . . . I can't find it right now.

I want to leave that unless somebody else has some questions in that area.

Mr. Chairman: — Can I get clarification, Mr. Rolfes. You wanted incidents of defaults for the year under review and a comparison with other years.

Mr. Rolfes: — That's correct. Not incidents, I want the percentage of default to the year under review compared to other years, and the dollars, because I want to keep track of that as we proceed. Because I think we will find when we get to '89-90 that there will be a dramatic change, and so I want to keep track of that. I have no further questions on student loans unless somebody else does. I want to go to another topic.

Mr. Chairman, I want to now turn to a particular topic that the minister, the then minister of Education was quite hepped on and I had asked him a number of questions at that particular time, and that was provincial evaluation in the school system. And it refers to standardized tests, and I want to quote from the *Star-Phoenix* of October 20, 1987. And they say in there that the minister said there is some concern within universities and colleges as students graduating from grade 12 lack some of the skills necessary to succeed at each institution, he said, referring to the minister.

And then the STF (Saskatchewan Teachers' Federation) responded by saying, Mr. Lofstrom: we are surprised that they are being taught publicly without discussing them with us, and we would certainly be concerned about those directions. And at the end it says: Hepworth released a document earlier this year which said public discussion is needed on whether common exams should

be introduced at the grade 12 level, a practice abandoned a decade ago.

I have two questions really that I want to ask the department officials. How far did that discussion go, and with whom did we have those discussions about province-wide evaluation or standardized tests?

Mrs. Rourke: — Mr. Chairman, I'd like to begin the answer on that, if I may. But there may be other people in the department who should amplify after, because I, of course, bring a slightly different perspective to the answer to the question.

To my recollection, there was discussion with the different partners in education. There was discussion with the STF, with LEADS (League of Educational Administrators, Directors and Superintendents) and various individuals that were involved in education.

There was some concern raised that testing is a highly complicated area requiring knowledge and skills to put forward opinions that might be helpful. At that point — I'm not sure of the exact dates — I know the resolution of the problem, and that simply was to put together an advisory committee to the minister in four particular areas of testing. And some of the reports are in; in fact, I believe all of the reports are in on that and work is being done.

There was discussion about standardized testing across the province. As soon as committees were set up it was quickly understood that although there is a place in surveying for standardized tests, they're not particularly useful in diagnosing individuals' problems. And so we are looking at other ways of tracking students such . . . we're now looking at tracking very closely, for instance, the number of students that are dropping out, and we're working toward that.

Mr. Rolfes: — Was it the concern about the universities and post-secondary institutions that initiated this study?

Mrs. Rourke: — Again I'm speculating, but if you wish me to speculate, I would. Those of us that have been part of the educational community in . . . particularly those of us that have worn different hats over a lifetime have certainly heard of the speculation from post-secondary institutions that students don't have the skills that they would like them to have. Having been part of a university faculty at one point, I find that difficult to give too much credence to. However, in any group of people there are a range of skills, so I'm assuming that that's where it came from; I don't really know.

Mr. Rolfes: — Okay, I will leave that. Let me say as an educator who spent 20-some years in education, standardized tests to me are not the solution. We know what has happened in the past. I know when I wrote standardized tests, I know what my teachers did with standardized tests. You simply took the last 10 years and sought out common questions and you studied for those and you did very well. But it really didn't measure what you had, what general knowledge you had acquired or what skills you had learned, and the last month of the school year was always devoted to the standardized tests.

I just don't think those are the answers.

If we have problems with post-secondary education — and I don't think we have, by the way — I think the records show very clearly that those students with grade 12 averages of 65 fare fairly well at universities and post-secondary institutions. And I'm not certain that standardized tests are the answer. But I will pursue this again in estimates in more detail with the minister.

I want to ask you, however, who, what groups were asked for representation on those committees, and would you have the names of the members.

Mrs. Rourke: — I don't at my fingertips, but I can get that very easily for you. The groups would be . . . whenever the minister sets up groups, advisory groups like that, the partners in education are always asked for representatives. The teachers named to the committee are always named by the Saskatchewan Teachers' Federation, the trustees named are always named by the SSTA (Saskatchewan School Trustees Association), and the directors of education that are named are always named by LEADS, so there is that agreement.

Mr. Rolfes: — That's good enough. I am a little pressed for time this morning because we want to finish by quarter after 9. Can't see that clock there . . . (inaudible interjection) . . . I've got a watch too, but I forget to look at it.

You can provide this to the committee. I'd like to know the names of the people, the groups that were represented. And if I may — I don't think it's for internal study, but if it isn't, could I get the actual reports or the summary of the reports? The committee will have to check that out, but if I can get that I would appreciate it.

Mrs. Rourke: — There was one large group set up on evaluation, and that document was made public and has been public for — I don't know, two years? a year? — a year anyway.

Mr. Rolfes: — But that study wasn't completed though. Wasn't this an ongoing study?

Mrs. Rourke: — There were recommendations for evaluation that came out of that document, and then those recommendations were picked up and four sub-groups were set up.

Mr. Rolfes: — Yes.

Mrs. Rourke: — So there's the one document, then there's the four sub-groups. And all documents are public and I will certainly get them for you.

Mr. Rolfes: — And those groups are still reviewing it, or is that completed?

Mrs. Rourke: — Well the review is completed, but the advisory groups are ongoing.

Mr. Rolfes: — Okay, good enough. I want to turn very quickly to merit rating, and I don't want to spend very much time on merit rating. But again, the minister at that

time, the Hon. Mr. Hepworth, thought there should be some review done in 1987-88 on merit rating. Can you tell me what studies were done under the year under review, and what conclusions did we come to on merit rating?

Mrs. Rourke: — I would have to ask my officials some of this, but I know that merit rating never appeared at the bargaining table, and so . . .

Mr. Rolfes: — I should hope not.

Mrs. Rourke: — No. But if it were to be taken seriously, it would have to appear at the bargaining table. So regardless of what preparatory work was done, obviously there was a decision not to pursue it because it did not appear at the bargaining table, nor has it appeared since at the bargaining table.

Mr. Rolfes: — You say bargaining table. I'm talking about internal studies that the minister was going to do on merit rating in 1987-88. What I'm asking, were there internal studies done in the department and/or did you ask for outside representation to study merit rating?

Mrs. Rourke: — As far as I know, no, but I will ask for confirmation. Do you know of any studies that were done?

Mr. Benson: — I know of no studies. A range, a whole host of the sort of issues around education were talked about but they weren't studied in any kind of full way as I think you're asking.

Mr. Rolfes: — Yes.

Mrs. Rourke: — And I should check that. Lorne, you were around. Were there any studies done on merit rating?

Mr. Glauser: — To my knowledge, there were no studies done at all.

Mr. Rolfes: — Okay. I feel relieved, at least. Don't waste your time on it either.

I want to turn . . . (inaudible interjection) . . . Pardon me?

A Member: — . . . (inaudible) . . . of what might show up.

Mr. Rolfes: — No. I know what it'll do to the education system if we have merit rating . . . (inaudible interjection) . . . I know.

I want to ask one further question, and this is from last night's meeting. I was not aware . . . It came as quite a surprise to me that there had been work done in the department on a professionals Act. And it obviously occurred also in the year under review.

Can you tell me what groups were consulted in the year under review on developing legislation for a professionals Act in education?

Mrs. Rourke: — Mr. Rolfes, I personally have no knowledge that that was going on in 1987, and I can check with the other people in the department.

Could I just give you a little bit of the background that I feel didn't come out about that legislation. The background of that legislation is that quite a few groups wanted to become self-governing: quite a few occupational and professional groups. So the point of the legislation, as I understand it and as I read the paper that was circulated to all professionals, was to give a framework for groups who wanted to have their own Act and become self-governing.

As I said to you, under the year under review, I would doubt very much — and again, I would ask anybody that knows differently to speak up — but I would doubt very much that it could have been in anything but the most very preliminary stages.

So I, you know, I . . . it wasn't part of the Department of Education is really what I'm saying. It wasn't our problem. We have a . . . education has a professions Act. The professions Act works very well and . . . but all professions . . . the Act under which doctors are governed or positions are governed also works very well. And all . . .

Mr. Rolfes: — I know it does because I was the minister that brought it in.

Mrs. Rourke: — Were you? All professions, whether it was . . .

Mr. Rolfes: — A very good Act by the way.

Mrs. Rourke: — All professions had the paper circulated to them, oh, about a year ago, and were asked to react. As the director of Regina public, I had the paper circulate just to comment . . .

Mr. Rolfes: — The reason I'm asking the question is that somebody did ask the question last night and said it had been initiated three years ago, and the minister did not correct it, so I assumed that that was correct. But I can pursue that also in estimates. If you say there was nothing done in the year under review that you can recall, fair enough, I won't pursue it any further.

Mrs. Rourke: — Excuse me, but I'd just like to clarify that. I'm saying I don't know of anything, period. But within the Department of Education it wouldn't have been far enough along that it would have affected the department in any way.

Mr. Rolfes: — That's good enough. I want to turn to one other item. That is on the year under review we had a tremendous reorganization in the department and also in education. I will not pursue the reorganization in the department. I have made my statements on that a number of times in the legislature and I will do so again, I think, in estimates. But I do want to ask a question on SIAST (Saskatchewan Institute of Applied Science and Technology) reorganization, or several questions on SIAST reorganization. Could you tell me on the SIAST reorganization, was that reorganization initiated by officials in the department? I'm referring to technical school reorganization. Was that initiated and recommended by the officials of the department?

Mrs. Rourke: — Mr. Rolfes, we have with us John Biss, who was in the advanced education department at that point, and he's probably much . . . well he is much more knowledgeable than I on this, so I would defer to John.

Mr. Biss: — My understanding, Mr. Chairman, is that the initiative for that came out of a series of consultations that was held by the minister in the fall, prior to the spring of '87.

Mr. Rolfes: — If I may, I just want to follow up. Mr. Chairman, you say consultations, the minister had consultations; consultations with whom?

Mr. Biss: — I believe there was a series of consultations throughout the province. I think there was something like 20-or-so meetings throughout the province in the fall and winter of that year.

Mr. Rolfes: — Yes, he may have had meetings. I want to know the . . .

Mr. Biss: — I believe they were invitational conferences. I didn't attend any of those, but I believe they involved a cross-section of people in the province.

Mr. Rolfes: — Any people that were remotely involved with technical schools at that time and administering the technical schools?

Mr. Biss: — Not that I can recall in terms of who participated in that. I didn't have a list of who was involved in that.

Mr. Rolfes: — It's not fair for me to pursue that line. I don't want to pursue it any further. I've got to go after the minister on that in estimates.

But what I wanted to know from you is: did you make a recommendation, did the department make a recommendation even apart from the consultations that took place? Did the department make a recommendation on reorganization of technical schools? And if you did, what were they?

Mrs. Rourke: — I'm sorry. I don't think there's anybody in the room that goes back that far, but we would be pleased to find that out for you and get that to you in writing within the week. I mean either it was . . .

Mr. Rolfes: — There's nobody here that was . . .

Mrs. Rourke: — Well, at a senior level. I mean there's not an ADM (associate deputy minister) or a DM (deputy minister) at the senior level, and I would expect that would be the level that those decisions would be made at.

Mr. Rolfes: — That's put some crimps in my next question. Really a problem with this committee is that . . . I want to . . . The thing that I'm driving at is whether or not this was a decision made by officials of the Department of Education or whether it was a political decision. If it's a political decision, then I take it to the legislature. If it's a decision made by the Department of Education and recommendations made by the officials, then I'd like to pursue that questioning here, and why those

recommendations were made.

Mrs. Rourke: — Could I just give you a couple of thoughts, and they're nothing more than that. It's my understanding from just reading back through the material that one of the reasons for the amalgamation was to encourage responsiveness and updating of the different institute courses. And it's always very difficult for education to be responsive, to keep updating, particularly in training and trade fields where they change very quickly and the courses must be updated.

So I think the amalgamation did result in a number of out-of-date courses being abandoned, and the reorganization resulted in the updating of many courses and the institution of some new courses. And I can't see how that part of it could have been a political decision. Like, it seems to me that when you look at the courses and what needs to be updated and how to get an educational institution more responsive to industry, I would think that educators would have to do that.

Final decisions, I suppose, are always political. I mean, that would be my understanding. But in terms of how to organize education, I would see that as the responsibility of officials. That would just be my thought on it.

Mr. Rolfes: — I just want to make a comment on that, and that's been my bone of contention with the reorganization — that many of the programs that were dropped were oversubscribed at that . . . I want to rephrase that. Some of the programs that were dropped were being oversubscribed at that time — were being oversubscribed. And there were good opportunities for people who graduated from those programs to get employment in this province.

Some of those programs had been picked up by private vocational schools. The standard of those programs and the quality of the teachers has gone down dramatically in those programs, and many of the certificates that students receive from the private vocational schools are simply not recognized by the industry out there.

And thirdly, because that has happened, we have expended a large amount of public funds in student loans to private vocational schools. It has had some very serious repercussions, the reorganization and the dropping of some of the programs.

I don't argue with the point that we need to look at programs to see if they're outdated and to see if we have to bring in some new programs, and so on. There's nothing wrong with that. But what I'm saying is, I think the consequences of what has happened . . . and that is why I wanted to know whether or not the officials have made some recommendations, because I don't think the officials would have recommended that we drop some of the programs that were dropped.

But I'll leave that. I will pursue that in estimates in more detail.

Mr. Chairman: — Can I also suggest, Mr. Rolfes, that if the answers come back and you want to have another go at the officials, that the department can be recalled.

Mrs. Rourke: — Excuse me, Mr. Van Mulligen, John Biss has a little more specific answer if you would just bear with us for one more minute.

Mr. Biss: — What we were asked to do, and did — and we do this on an ongoing basis, did it on an ongoing basis — is certainly review the employability of program graduates, look at issues. And certainly one of the issues that was being looked at there was the number of areas that certain programs were offered in and had low employability on the basis of our records. And so we provided that sort of technical information in terms of some of the decisions.

Mr. Rolfes: — I would very much appreciate if the department would keep track of — and I'm referring now to private vocational schools — I'd really like the department to keep track of how many students that graduate from specific programs in private vocational schools get jobs in those areas. Don't get employment . . . I mean, someone takes a computer course at CompuCollege and then goes and works in a hotel as a maid, has employment, certainly didn't get employment in that particular area. And I think we will find that I . . . probably what I'm saying is borne out by the fact that many of those certificates that are issued are not recognized by the industry out there, and that's a real concern because they are expending large sums of money. They're spending anywhere from 10,000 to 12, \$13,000 a year for a program, and they end up with huge debts. And many of those, I think, will be defaulted, and that's a concern that I have.

I want to go on to — keeping with SIAST reorganization — did the department have any say in the appointment of the board of directors?

Mrs. Rourke: — The board of directors in any organization is not decided by the department.

Mr. Rolfes: — Does the department have any representation on the board of directors of SIAST . . . pardon me, under the year under review, and who were those people?

Mrs. Rourke: — The assistant deputy minister was Elizabeth Crosthwaite at that point, and she was on the board of directors by appointment of the minister through . . .

Mr. Rolfes: — Have you got a list of the members of the board of directors of SIAST for the year under review?

Mr. Benson: — The year under review, Mr. Chairman, during that year there was an interim governing council made up of officials of the department prior to, as a temporary measure, prior to the establishment of the board structure we have in place right now. And yes, we do have a list of people who were on that . . . it was a seven-month term beginning January 1, 1988. And they are . . . Well I can list them if you like.

Mr. Rolfes: — Could you . . . Well I'd like to have a list of those if you could provide that for us, okay.

Now in the year under review was the decision made at that time for the hiring of the principals of the various campuses?

Mr. Biss: — No, Mr. Chairman, as Mr. Benson said, under the year under review there was an interim governing council. The board for SIAST was appointed, I believe, July 1, '88, so the decisions on principals were made after that.

Mr. Rolfes: — But weren't some of the principals fired before that?

Mr. Biss: — No, there was . . . I think there was one principal at Moose Jaw whose position was abolished.

Mrs. Rourke: — I have some additional information that I just see in front of me that might be interesting. In May/June 1987, Dr. Fred Gathercole was appointed to co-ordinate the amalgamation of the four technical institutes. You're probably aware of that. And in September 30, '87 the minister tabled The Institute Act and The Regional Colleges Act.

Mr. Rolfes: — When was that?

Mrs. Rourke: — May 30, 1987 . . . I'm sorry, September — it's right in front of me — September 30, 1987. Dr. Gathercole was appointed sometime in May/June '87.

Mr. Rolfes: — Could you tell me, when was the principal at Kelsey appointed? Was that the year under review?

Mr. Biss: — No, it's not.

Mr. Rolfes: — It was later?

Mr. Biss: — Yes, it was. There was an acting principal.

Mr. Rolfes: — Okay. I forgot about the acting principal. Did you have any input at all in establishing the criteria to be used in the appointment of principals of SIAST.

Mrs. Rourke: — It would be very . . . I don't know the direct answer and I will check, but it would be very unusual for any institute that's governed by a board to have department officials list the criteria for hiring. For instance, you could apply that to the university, you could apply that to K to 12. I mean, you could apply it anywhere. It would be extremely unusual. So my best guess would be no, but I will check. Deb, do you know those criteria listed?

Ms. Achen: — Only other than that the department had a representative on the board, they would be aware of the criteria that I understand was . . . (inaudible) . . .

Mrs. Rourke: — Yes.

Mr. Rolfes: — I've reasoning in my questioning. I want the next . . . Is Elizabeth Crosthwaite here?

Mrs. Rourke: — No, she isn't. She's now the deputy minister of . . . But there are other people. Mike was on the temporary board if . . . that was appointed in January '88. There was a temporary board appointed.

Mr. Rolfes: — That's still the year under review?

Mrs. Rourke: — Yes.

Mr. Rolfes: — Okay. I would like to ask . . . it's Mr. Benson isn't it?

Mrs. Rourke: — Yes.

Mr. Rolfes: — I would like to ask Mr. Benson then, what input, as a member of the temporary board, did you have in the establishing of criteria for appointing principals at the various campuses.

Mr. Benson: — None.

Mr. Rolfes: — There was no discussion?

Mr. Benson: — I had none. I apologize — I can't answer your question.

Mr. Rolfes: — No, that's fair enough. You had no discussions at all with the minister in bringing recommendations to the board?

Mr. Benson: — I did not. I do not have any knowledge of anyone else who was on the interim governing council who may have. I was only on for a portion of this period of time and in a financial role.

Mr. Rolfes: — Well the person I really wanted to question in this is not here, because I think she would be able to give me the answers.

Mrs. Rourke: — Well the previous deputy minister as well was on that board.

Mr. Rolfes: — Who was that?

Mrs. Rourke: — Lawrie McFarlane.

Mr. Rolfes: — Pardon me?

Mrs. Rourke: — Lawrie McFarlane.

Mr. Rolfes: — Well he's a long way away. We don't want to bring him in; it's too expensive.

Mrs. Rourke: — We could go there.

Mr. Rolfes: — I'm sure he won't want to leave where he is right now.

Okay, I think I will have to leave that and reserve some of my other questions for estimates, because the person that I wanted to question, I had forgot that she had left the department.

I have no further questions on that. I have some other questions that I want to refer to in expenditures. What time have we got? Yes. Oh, I got enough time.

Mr. Chairman: — Could we clear up the auditor's report first before you do that.

Mr. Rolfes: — Yes, go ahead.

Oh yes, on Wascana Institute, I'd like to just ask the auditor whether or not that problem has been resolved now that it has been turned over to SIAST — on the revolving fund.

Mr. Chairman: — We're referring to . . .

Mr. Rolfes: — Page 45.

Mr. Chairman: — . . . paragraph 8.53 in the auditor's report, and it concerns the WIAAS (Wascana Institute of Applied Arts and Sciences) revolving fund in the auditor's comments.

Mr. Rolfes: — Right.

Mr. Wendel: — Yes, Mr. Chairman, it's my understanding that that problem remains within the SIAST.

Mr. Rolfes: — Would someone like to comment on that as to why that problem has not been resolved, and what's the difficulty in resolving that?

Mr. Benson: — Point of clarification, Mr. Chairman. Was it section 8.53?

Mr. Rolfes: — Well it goes right on to . . .

Mr. Benson: — Yes, but it starts at 8.53?

Mr. Rolfes: — Yes.

Mr. Chairman: — 8.5, 8.6.

Mr. Wendel: — Excuse me, Mr. Chairman. I'll clarify my comments on that. That's relating to paragraphs 8.53 to 8.59.

Mr. Chairman: — 8.6, I guess.

Mr. Benson: — So that this was the timeliness of recording of information. I do know that in February 1989 an accountant was assigned with the specific role of being responsible . . . (inaudible) . . . was in a contract activity. So I would assume that to mean that the problem was being addressed.

Mr. Rolfes: — All right. Let's hope that there is no comment in next year's audit report on it. If it is, we'll pursue it in a couple of weeks.

Mrs. Rourke: — Excuse me. John, do you want to . . . is there anything . . .

Mr. Biss: — No, I don't think I can add . . . (inaudible) . . . that's been looked at.

Mrs. Rourke: — Okay.

Mr. Wendel: — Excuse me. Mr. Chairman, just maybe another point of clarification. I can only speak to the year ended March 31, 1989, as I had mentioned last meeting. If the department has taken action since we've completed

the '89 audit, they may . . . you know, this problem may well go away in the subsequent year, or the 1990.

Mr. Benson: — But we have a . . . There is a person specifically assigned to control the contracts and make sure that they are timely, the timely recording of all information.

Mr. Chairman: — We can do a follow-up on that if necessary in the next year under review.

Mr. Rolfes: — Yes, you'll be back in a short time for the next year's review, so . . . I hope.

I'd like to now go to the *Public Accounts*, and these are going to . . . I have a number of questions that I want to ask. These are on expenditures. And if you can give me just short answers, I would really appreciate that.

I'd like to refer to page 76; I'll start on 76. And this is under financial and administrative services. I notice advertising and printing related expenses of 113,000. Can you very quickly just tell me what they were for. I don't want all the details; just pick out some more obvious ones.

And then while you're at it, you can go to travelling expenses and contractual services on the same subvote, page 76 in *Public Accounts*.

Mrs. Rourke: — I'm sorry, Mr. Chairman, if you would just bear with us for a second. Mr. Chairman, would you like us just to go through the total advertising? That might be the simplest way of answering the question. It won't take long, if you're interested in that.

Mr. Rolfes: — You mean the total advertising for the department?

Mrs. Rourke: — For that year. Is that what you're asking, really?

Mr. Rolfes: — No, I wasn't. But . . . Well, okay, that might suffice it. If not, I'll ask more detailed questions. That might suffice it.

Mr. Benson: — Basically, just to clarify. We have it organized by a particular subvote, but we do have an accounting of advertising kinds of expenditures for the department as a whole, and I have no problem in picking up big ones, if you like, or however you want . . . (inaudible) . . .

Mr. Rolfes: — Are there many pages or are they . . .

Mr. Benson: — No.

Mr. Rolfes: — Is it one or two pages?

Mr. Benson: — Yes.

Mr. Rolfes: — If you could make that . . . Just pick out some of the big ones and then if you can just make it available to the committee, I would appreciate that.

Mr. Benson: — Printing of *The Chronicle*, 5,600; the SIAST news-letter update, 7,200; correspondence school

week, 2,000; *La Chronique*, which is an OMLO (Official Minority Language Office) publication, 3,400; the book bureau order form, 14,500; comprehensive education report, 11,800; correspondence school calendar, 9,900; learning resource centre's guide for development, 16,300; career planning brochure, 10,900; core curriculum implementation policy booklet, 15,800; *J'apprends à écrire*, I think it's something from OMLO, 21,000.

Mrs. Rourke: — I think it has to do with writing and understanding. But we have, if you want a direct translation, we do have people here.

Mr. Benson: — *Preparing for the Year 2000*, 36,300; *Literacy in Saskatchewan: a blueprint for action*, 10,100; student loan packages, 55,800; and other forms and schedules for student aid, 20,000. Those are the ones that are significant.

Mr. Rolfes: — Yes, and in that there are a couple. I would appreciate if you made that available to us. And in the next year under review I will be going into some detail on some of these expenditures. I want to ask on just a couple, and that's to SIAST news-letter. Was there just one news-letter or were there . . .

A Member: — There is . . . (inaudible) . . . a number of copies. I think, in the year under review, I think three would have been out.

Mr. Rolfes: — And who were they sent out to, or what were they for, in SIAST news-letter?

Mr. Biss: — They were in essence updating staff and other people relating to SIAST on the activities which occurred.

Mrs. Rourke: — There's still a news-letter published by SIAST that you're probably quite aware of.

Mr. Rolfes: — Yes, I know that. Could you provide for the committee the SIAST news-letters of the year 1987-88?

Mrs. Rourke: — Sure.

Mr. Rolfes: — I have one further question. *Preparing for the Year 2000*, I'd like to, if I could have a copy of that. And who initiated the preparation of that news-letter or whatever you call it, brochure or whatever it was?

Mrs. Rourke: — Well, yes, to the best of my knowledge it was enactment of policy, but basically it was because of the ongoing thrust to try and raise the general level of post-secondary education in the province. The brochure or the document is designed to forward plans for raising the general level of education. So it would be very like other things that we've done since.

Mr. Rolfes: — Can I have a copy . . . could the committee have a copy of that?

Mrs. Rourke: — Sure.

Mr. Rolfes: — I will leave the others for . . . and that was a total of how much expenditure?

Mrs. Rourke: — Roughly 750,000 but it's . . .

Mr. Benson: — The total printing was 769,000 — oh, sorry, there are two sections here — 769 plus 166. It's just a . . .

Mr. Rolfes: — Does that compare favourably with advertising expenditures for the year before?

Mr. Benson: — I'm sorry, Mr. Chairman. These were the printing costs. I don't know a comparison of the year before, but advertising is a slightly different question. I gave you some details on printing costs.

Mr. Rolfes: — Yes, okay. On the advertising, what was the expenditure on advertising?

Mr. Benson: — A total of 417 plus 622, so that will be just over \$1 million.

Mr. Rolfes: — And that was . . . Can you give me some of the major ones?

Mr. Benson: — Yes. The literacy campaign, 31,000; *Preparing for the Year 2000*, concept development and so on, 11,000; core curriculum mail-outs, 16,000. Oh sorry, those were some of the development costs. The larger costs were for the television ads for the literacy campaign which was 417,000.

Mr. Rolfes: — Before you go any further on that one, could you tell me: did you do any follow-up at all on how successful that literacy advertising was?

Mrs. Rourke: — Of course it continues on . . .

Mr. Rolfes: — Yes, I know. But you must do a review. How many people have seen it, what effect does it have, or why are people upgrading — is it because of the program? You must do a follow-up, I would assume.

Mrs. Rourke: — Yes. Excuse me, Deborah, do you have the answer to that?

Ms. Achen: — I'm not sure of the year under review, but I know that the past year, for example, all the advertising that was used, follow-up was done to see which was the most effective to bring in learners as opposed to tutors because the advertising was directed at . . . (inaudible) . . . and so the most effective form of advertising was used, for example . . . (inaudible) . . . learners.

Mr. Rolfes: — Pretty tough if you can't read.

Mr. Swan: — Mr. Chairman, I wonder if that could be picked up on our microphone system.

Mr. Chairman: — No, and I should encourage your officials that if they want to make a contribution, to come forward so that we can pick it up.

Mrs. Rourke: — Would you like . . . Deborah, would you come to the mike please.

Ms. Achen: — I'm not in a position to comment on the year under question, but I can state over the past year that

the literacy council has been involved in reviewing the advertising that has been utilized, to pick the most effective form of advertising depending on the target group to which it's directed, whether it's tutors or whether it's learners.

Mr. Rolfes: — All right. I don't want to spend too much more time on that this morning, but I think I'll pursue that in next year's questioning, so I'm just giving pre-warning that that question will be coming in a couple of weeks.

And I'd really like to know which media has been most effective in — I assume you used all media — and which one you found to be most effective. And are we expending more money in that particular area then, rather than in print let's say, or in television? I think probably radio might be the most effective. I don't know, but . . .

I'm going to contractual services, and very quickly if you can — and I don't want to spend too much time on it — if you can provide that for the committee, unless it's pages and pages of it. It may well be but . . . that many? No, don't provide it.

Can you give me some of the major ones, contractual services? Oh, I see. What's the total amount of contractual services?

Mr. Benson: — We have a total of \$18.4 million, but that needs some clarification. It includes the whole bunch of the training program contracts that we received cost-sharing from the federal government with. But that's the only summary number that we have on the revenue expenditure system with the government. So I don't know if that's . . .

Mr. Rolfes: — I personally would be interested in going through it, but I don't think many of the — I shouldn't assume that — I don't know if all members would be interested. I personally wouldn't mind going through it in detail, but if there's 20 pages, I don't want you to xerox 20 pages for 15 copies if I'm the only one that would be interested in it. I wouldn't mind going through it if it is available to any individual, but I don't want to request it for the committee. The others may not be interested in seeing it.

But I will leave that. Are those contractual expenditures in the year under review, were they generally in the same area that were in other years? Was anything out of the ordinary in the year under review?

Mrs. Rourke: — I'm not aware of anything out of the ordinary under the year of review and the approximate costs are the same, within a . . .

Mr. Rolfes: — It is a large sum of money and I just wanted to . . . I guess what I wanted to know is how much of that was, that we . . . was just an ordinary expenditure. You have it with other governments, federal government, provincial governments, and you have it with educational organizations. How much of that do we just spend every year? Is it 12 million out of the 18, or is it 15 million . . .

Mrs. Rourke: — I don't know if Mrs. Jackson can give a response to that. My own experience is that every day I have a pile of contracts come by my desk like that. So there are a lot of contracts to go through.

Mr. Rolfes: — I've spent some time there. I know what you're saying. And sometimes maybe we have to have another look at those and see how many of those we really want to just sign every year. It's a fair amount of money involved.

Mrs. Rourke: — Yes. We, within the department, the contracts, by the time they get to me, the contracts have gone through, what, at least four people? At least four people. And believe it or not, they do read them.

Mr. Rolfes: — Okay. I will just leave that. I'm running out of time for this ... I'm just going to run through these very quickly here.

Okay. I have another question. And I may be wrong on my ... I'll ask the question, then I can ... St. Thomas More College, is that an affiliated college? Or is that what they refer to it ... Luther College?

Mrs. Rourke: — I'll bring in our college expert, Dianne Anderson.

Ms. Anderson: — They're both federated colleges.

Mr. Rolfes: — Okay, that's the term I wanted, federated college. Tell me, in the year under review, what was the increase to Luther College and what was the increase to St. Thomas More College? What I want to know is ... maybe I should ask more specifically. What was the grant provided to Luther College on a per-student basis and what was the grant provided to St. Thomas More College on a per-student basis?

Ms. Anderson: — I don't have that information. They're both funded on just a basic grant increase formula. It's not on a student basis. So we don't calculate it that way.

Mr. Rolfes: — Well, I'm not certain if it was the year under review or it was the year later. But there was some special consideration given, I believe, to one of the colleges. And I ... that's why ... I think an additional grant was given. I just wanted to know why it was given. Now it may not have been this year under review but it could be for '88-89 and I would be asking it then there. If no special consideration was given in the year under review, I want to know why the special consideration may have been given.

Mrs. Rourke: — I think we'd better check that to make sure our data is accurate and we will get that back to you in writing. I mean, that's just a matter of going back and double-checking the records.

Mr. Rolfes: — I want to follow up on what criteria are used to make the grants to the federated colleges.

Ms. Anderson: — It's basically, it's just a historical formula. It's the same as the university's amount, or a base amount has been established some time ago. And typically, the same percentage increase is given to each of

the institutions each year, and we typically don't deviate.

And you asked about Luther, and I know there have been times when the grant to Luther has been increased because they have argued that their funding formula puts them at a disadvantage to the other federated colleges just because of the historical base and the rate at which their student enrolment has increased.

Mr. Rolfes: — I'd like to ask for a follow up on this. I want to make sure I understood you correctly. Were you saying that the increase to the federated colleges, percentage of increase to the federated colleges is the same as it is to the university?

Ms. Anderson: — That is typically what happens, yes, that they all receive the same operating grant increase.

Mr. Rolfes: — Which is not true under the year under review, was it?

Ms. Anderson: — As far as I know it was.

Mrs. Rourke: — Mr. Rolfes, you seem to have some information that would make you concerned, and I would be uncomfortable not checking that data.

Mr. Rolfes: — Yes. I may have my years mixed up here but I know there was a year, either it was '87-88 or '88-89. I'd like you people to check for the next time then where the federated colleges, I think, got a zero per cent increase, at least some of them did — got a zero per cent increase.

Ms. Anderson: — They're typically all treated the same. I can't think of a year when they would not have all received the same moneys.

Mr. Rolfes: — Well check '88-89 then, okay.

Ms. Anderson: — Yes, they would have received the same percentage increase as the universities.

Mrs. Rourke: — But we certainly will check, yes.

Mr. Rolfes: — Check that out, yes. Well, I mean, I'll be asking that under the year under review. I can't ask it if it didn't happen in '87-88; the members opposite would object. So I'm going to leave that. But I will ask it in a few weeks time when we're back. But I would really like you to check that because ... okay, I'm just going to leave that.

Contractual services, and this one I want to ask on page 85. Page 85, this is under the official minority languages office. We have computer word processing rated expenses. That was 17,000; I'm not too concerned about that. Contractual services of \$570,000. Who was that with and what was it for? Very quickly — I don't want it in detail, but who was that with?

Mr. Benson: — Would you like me to quickly run through a list?

Mr. Rolfes: — Oh, was there a number?

Mrs. Rourke: — Yes, this is mainly for curriculum development, but we can go through the . . .

Mr. Rolfes: — Oh, no, forget it; I'm not concerned about that. I thought that you had signed a contract with the federal government on official minorities . . .

Mr. Benson: — A lot of these, the contract moneys, there may be indeed reimbursements from the federal government on the strength of undertaking these contracts, but there are a number of different contracts with individuals for French education and materials development.

Mr. Rolfes: — No, that's good enough. I found why I was asking a question on Luther College. It's been some time since I went through this. On page 90, if you look on page 90, there is an additional grant of \$100,000 to Luther. I knew there was . . . If you check on 82, it was 747,000. Then there was a Luther College grant of a 100,000 on page 90.

Ms. Anderson: — I believe the \$100,000 that went to Luther in that year was directed to the Summer Centre for International Languages, which was being set up in that year.

Mr. Rolfes: — Would you please provide that specific information to the committee? I mean I'd like more specifics on it, okay? What were the objectives and how did we arrive at \$100,000? It's a nice, round figure.

Mrs. Rourke: — Mr. Rolfes, you're aware that the summer languages institute is run by Luther.

Mr. Rolfes: — No, I was not aware of that, but was that started in the year under review?

Mrs. Rourke: — Yes.

Ms. Anderson: — That program receives a hundred thousand dollars each year to assist in its running.

Mr. Rolfes: — Okay. Can you tell me . . . would you also, in your information, provide me with how many students attended in the year under review?

Ms. Anderson: — Well I can tell you right now, there wouldn't be any because it was just being set up and it didn't . . . it wouldn't have started to get students until a year later. They hired their staff and that sort of thing the year before and set up their programs, and that sort of thing.

Mrs. Rourke: — It would have required program development for all the courses taught.

Mr. Rolfes: — I accept that, but if you're just starting up and you're hiring your staff for part time — I mean it wouldn't be hired for the whole year — and each following year you say it's 100,000, why would it be 100,000 in the initial year? Could you just provide me what the money was expended on in that year?

Mrs. Rourke: — Sure.

Mr. Rolfes: — All right. I want to ask a question — page 91 — and that is . . . just give me an explanation . . . it's under universities, grants to Saskatchewan universities, repayment of principal and interest of capital loans from the Saskatchewan Property Management Corporation. Would you go through that — I don't want it in real detail — but just fill me in on that. How does that work?

Mr. Benson: — Basically a construction project may be undertaken by property management corporation, for example, and then the debt owing to the property management corporation is retired over the period of whatever the agreement is, much like in the K to 12 system. A debenture is sold for the building of a school and then retired over 10 years. So these are payments for a construction project that is being financed and built by Saskatchewan Property Management Corporation.

Mr. Rolfes: — Okay, are you saying that Saskatchewan Property Management Corporation is involved in every school that we build in this province?

Mr. Benson: — No, not in the schools, but they are in the post-secondary area.

Mr. Rolfes: — When was that policy established?

Mr. Benson: — I believe that supply and services probably did it before property management corporation was established.

Mr. Rolfes: — I can't recall that. I can't recall that. You may well be . . . you probably are right. I just can't recall that. So when the universities build — let's take, for example, the agriculture building — they have to go through the Saskatchewan Property Management Corporation, who does the funding, and then the moneys are simply paid back to them.

Mr. Benson: — Yes.

Mr. Rolfes: — Is there a fee charged?

Mr. Benson: — I imagine there would be. I don't know the precise value.

Mr. Rolfes: — Is it? Pardon me, what's the fee?

Mr. Benson: — I don't know what the fee is, offhand.

Mr. Rolfes: — I just want to know what the . . . I want to know, why can't the university do it directly? Why don't . . . I mean why don't they deal directly with the Department of Education? Why do we have to have an intermediary?

Mrs. Rourke: — I think in the year . . .

Mr. Rolfes: — Maybe we could eliminate some people when we don't need them.

Mrs. Rourke: — Well, I would suggest that the Department of Education now has three professionals working full time at the university level to do incomparable amounts of work. So the people are going to be needed one place or another. We don't staff for that,

is really what I'm saying.

Mr. Rolfes: — No, but . . . (inaudible interjection) . . . yes, but I guess my question is this: don't we have sufficient confidence in the university people that they . . . I mean if they want to build a building, don't they have the people there to say, all right, we'll hire the contractors, we hired the designers and everything else? Why do we need Saskatchewan Property Management Corporation?

Mrs. Rourke: — I don't think I'm in a position to answer that. I don't think anyone is in a position to answer that, Mr. Chairman. If there's some specific information we could get for you, we would be pleased to.

Mr. Rolfes: — No, I guess I just don't understand why we need Saskatchewan Property Management Corporation to be the intermediary. Why do we need them?

Mr. Benson: — Well they do provide an expertise with respect to property management and construction. That is one place in government where that expertise can be found, so there's a real value in . . .

Mr. Rolfes: — School boards don't need them.

Mrs. Rourke: — Mr. Chairman, the amount of money expended for university buildings is very large, and the needs assessments are undertaken with . . . we have out of those three people in the department, one person has an engineering degree but she also does many other things, and she works with property management and with the university.

But again I would reiterate, we simply do not have the staff, nor do we find this a cumbersome method. It works very smoothly for us. We know the expertise is housed there.

Mr. Rolfes: — I don't argue with the expertise. I guess my point simply is if it's a hands-off operation with the university and we have full confidence in the school boards, and the member opposite has a lot of experience with this, why wouldn't we have the same confidence in the university people? I don't want to pursue it; I'll pursue it in estimates a little more.

But I just can't understand why we need another layer of people. Why can't we just simply say to the university, all right, here is \$90 million; you must live within that, and you go and hire your people to do the designing. And why do we need another layer of government to intervene? I just don't understand it.

Mr. Chairman: — I think that . . . if I could on that one, if I could take a crack at that. In large part, it's a financial question that came about with the establishment of the Saskatchewan Property Management Corporation. I think up to that point operating budgets had tended to reflect the actual capital expenditure. That is to say, if you build a \$30 million building at the University of Saskatchewan, and you did that over two years, you would have \$15 million in each of two operating budgets.

What's happened now is that property management corporation will take out a mortgage or in fact pay for the

building, send a bill back to the university for payments over a period of time. And what you're seeing here is those payments being reflected now.

So it's a different way of financing it, and in a sense it's . . . in addition to the operating budget we now have, almost unreported now, a capital budget. And that's another question I think that we need to get into at some point. But I think that's what's being reflected here.

Mr. Paton: — Mr. Chairman, I can't speak specifically to the function that Saskatchewan Property Management Corporation provides to the Department of Education, but that would have been an activity that was undertaken by supply and services prior to the creation of Saskatchewan Property Management Corporation. So it's really a shift of the activity from a department to a treasury board Crown. And you're correct in the way that the financial aspect, how those things are handled now.

Mr. Rolfes: — Mr. Chairman, I accepted that. I'm simply saying . . . well I'm not going to pursue it any further except to say that if it holds true for school boards . . . and millions of dollars of buildings have been built in this province for school boards, and we don't have the Saskatchewan Property Management Corporation involved in that. They build a high school; you don't build a high school for a million or two. You allow them to hire their own architects, why can't we allow the university? If there's a reason for it, fine, I'll leave it.

Mr. Chairman: — The difference would be is that school boards have their own ability to finance, unlike the universities who are totally dependent on transfers from the provincial government. And therefore school boards can raise money through debentures and the like, whereas the university, if they want to put up a \$30 million building, it's got to come from a transfer from the provincial government, and that's why it would be showing up here.

Mrs. Rourke: — And in terms of the finance, I might just add that we do have . . . or not in terms of the finance. The finance is, as Mr. Van Mulligen said, is through debentures. But we do have several people in the department that work, headed really by Irv Brunas, a name you may know, that work with all boards, going over designs, working with them, that kind of thing. So at the K to 12 side, we do house that expertise in the department.

Mr. Rolfes: — I know that. I just wonder why we can't have the same procedure with the university. I think you've given me the explanation on it. I'm still not satisfied with it. I'd like to pursue it. I think there may be a cheaper way of doing it. I just don't know why we need him.

But anyway, I want to go on to some of the others. Very quickly, 92 — I see we're not going to finish in time.

But I want to just ask, has the role of a person by the name of René Archambault changed?

Mrs. Rourke: — Mr. Chairman, I first met René Archambault when I was the director of Regina public,

and I believe René was at the director level of OMLO. And at that point I was trying to institute a French immersion program for senior students at Campbell and I needed expertise. And I phoned the department, and René came out and was very helpful.

The short answer to your question is yes, since I've been deputy minister, René has been promoted one level. I can give you the details of René's background, if you wish.

Mr. Rolfes: — Oh, no. We've had that a number of times.

Mrs. Rourke: — Okay. I would also . . .

Mr. Rolfes: — We know the full relationship.

Mrs. Rourke: — Okay. I would also like to add that because of the years I've known René, I think it's very important in this context to point out that René competed for the job. I would not be instrumental in promoting anyone who was not the best candidate for the job, and I have absolutely no hesitation in saying René was the best candidate for the job.

Mr. Rolfes: — I wasn't going to ask the question, but now that you've opened it up, I think I may. Did you have competition for the promotion?

Mrs. Rourke: — Of course.

Mr. Rolfes: — And how many applications did you receive?

Mrs. Rourke: — It went through the Public Service Commission, as these things do, and I know of at least four, one from Ottawa.

Mr. Rolfes: — Okay, thank you. I want to ask . . . I noticed a number of people who have been getting salaries, and I'm not going to . . . in the 75 to 80,000 range. Is that sort of common in the Department of Education? It seems fairly high.

Mrs. Rourke: — At the senior levels the comparison, when you get into ADM and DM levels, and I don't know the particular salary you're referring to, the typical salary is what the person would get in their previous job.

Mr. Rolfes: — Yes, I see a fair number — well, I don't know a fair number — I've got some marked here, 75,228; 75,408; 60,000. I've got one here, this one really shook me a bit, 108,000, Steve Pillar. I believe Steve Pillar is no longer with us.

Mrs. Rourke: — I think that would include probably his separation payment.

Mr. Rolfes: — Is separation automatic, payment? Separation payment; are those automatic?

Mrs. Rourke: — You know, I am not . . . those contracts are not department contracts, as you're probably aware, and I'm really not privy to . . .

Mr. Rolfes: — Okay. Could you tell me the job that is done by Gerald Kleisinger? What's his position?

Mrs. Rourke: — They can find it exactly. I know that Gerry worked with boards, but can you . . . yes, he is no longer with the department.

Mr. Rolfes: — Top right-hand corner of 96.

Mrs. Rourke: — Anyway, going back to my former life, Gerry worked with us on safe grads and drug and alcohol and those kinds of things. I can't remember whether he was involved in driver education or not.

Mr. Rolfes: — Is he a full-time employee?

Mrs. Rourke: — He was. He's not any more. He's no longer with the department.

Mr. Rolfes: — Is Jacob Kutarna still with the department?

Mrs. Rourke: — Yes.

Mr. Rolfes: — And his . . . what's his position?

Mrs. Rourke: — In the year under review, he would have been responsible for the regional colleges. Basically the regional colleges would have reported to him.

Mr. Rolfes: — Okay. Good enough. Lionel Sproule, what's his position and is he still with the department?

Mrs. Rourke: — No, he's not with the department, and I believe in the year under review Lionel was doing communications work; and I can check and find out. But I know as the director . . . or again going back to my relationship with Lionel previously, he would come out and work with boards in helping us set up workshops for parents and that kind of thing. He was basically in communications.

Mr. Rolfes: — I have one further question — well not one — another question on Robert Wilson, Robert Allen Wilson, on page 101. Does anybody know what his position is and where he works.

Mrs. Rourke: — There's a Bob Wilson at SIAST . . . Kelsey, but I don't know if it's the same one.

Mr. Rolfes: — That's what I'm trying to determine.

Mrs. Rourke: — Deborah believes this Robert Wilson was at the correctional centre. Deborah was working for the correctional centre at that time.

Mr. Rolfes: — Okay, good enough.

Donald Wright, is he still with the department?

Mrs. Rourke: — No, he isn't. Don Wright is now . . . he's with one of the group of economic development departments.

Mr. Rolfes: — I want to just ask a couple of questions here on Dome Advertising. Sounds very familiar, this one. Could you give me the particulars of — and I'd like to have them submitted to the committee; you don't have to give them to me this morning — Dome Advertising Ltd.

and Dome Media Buying Services Ltd. They amount to over \$700,000. I want to know what the money was expended on.

Mrs. Rourke: — Basically quite a bit of it went to the literacy campaign, went to . . . they did the development work on the television commercials and that kind of thing. We'll get the breakdown, but roughly that's where it is.

Mr. Rolfes: — I notice one here I had marked, but I won't ask. His first name is Lorne, but I'll just leave it. I notice he's here this morning.

Mrs. Rourke: — Mr. Chairman, could I note that he is a wonderful man.

Mr. Rolfes: — I do too. I do too.

Mercury Graphics — I notice he's smiling; he agrees with us too — Mercury Graphics Corporation, can you tell me what the 16,000 was expended on.

Mr. Benson: — It was mostly printing. In fact I believe it was all printing, Mr. Chairman.

Mr. Rolfes: — Could you provide that to the committee, exactly what it was for?

One further, or two more. Tanka Research, can you just provide that, again, provide it to the committee.

Mrs. Rourke: — We have it here if you want.

Mr. Rolfes: — Well I'd like to have a copy of it for the committee, so . . . WESTBRIDGE Computer Corporation, 197,000. Could you tell me quickly what that was for?

Mrs. Rourke: — We're saying computer services.

Mr. Rolfes: — Was it the purchasing of computers or was it the purchasing of programs?

Mr. Benson: — Development — program development and consulting, that kind of thing.

Mr. Rolfes: — Now my next question, of course, is: was it tendered? And was it the lowest bid?

Mr. Benson: — Most of this, Mr. Chairman, is computer time for the management of computer systems that were already developed. A good example would be student records or some of the student aid systems, those kinds of things.

Mr. Rolfes: — I think I understand that. My question still is, was the services contract, was it tendered, and was WESTBRIDGE the lowest bidder?

Mrs. Rourke: — We'll find that out for you.

Mr. Rolfes: — Yes, because I have some concern here because I know WESTBRIDGE has been guaranteed a lot of contracts with Crown corporations which are not tendered. I want to know whether these were tendered and whether they were the lowest bidder.

Mr. Chairman, that ends my questioning of the Department of Education for the year under review. I had a number of other questions but I will leave them for next year.

Mr. Chairman: — Thank you very much for coming out and answering the questions. The members were most interested to learn during the exchange just how Mr. Rolfes did manage to get so far ahead in high school. Thank you very much.

Do you want to move the motion, Herman?

Mr. Rolfes: — Yes I will move.

Mr. Chairman: — Moved by Mr. Rolfes. I have the motion here:

That the hearing of the department be concluded subject to recall if necessary for further questions.

Any discussion? All in favour?

Agreed

Mr. Chairman: — Let's take a quick break and then we'll get at Health.

A Member: — I was just going to ask if you were going to go *in camera* when you came back, or whether you . . .

Mr. Chairman: — Yes, let's do that first and then we'll just go through the auditor's comments and then we'll call in the people.

The committee recessed for a short period of time.

Mr. Chairman: — I think that's the list, Mr. Sauder, of the departments that we wanted to do as we set out this spring. But somewhere in the *Minutes and Verbatim Report* there should be a list of the departments that have already been concluded. And if not, then we can certainly get the Clerk to get that for you.

Public Hearing: Department of Health

Mr. Chairman: — Good morning, Dr. MacDonald. I'd like to welcome you here. I wonder if you might just take a moment to introduce to us the officials that you have with us.

Dr. MacDonald: — Yes. On my right is Mr. George Loewen. He's associate deputy minister for mental health services and health promotion. To my immediate left, Kathy Langlois, executive director of finance and administration branch. And beginning over on the left is Cathe Topping from the minister's office.

Mr. Rolfes: — Could they just raise their hands so when they come up to answer some questions, I hope I can remember who they are and I can address them properly.

Dr. MacDonald: — All right, fine. To my immediate left again, Mike Shaw is associate deputy minister for insurance services; Kathy Langlois, we have just

discussed; Cathe Topping; Mr. Neil Gardner, executive director of hospital services branch; Mr. David Babiuk, associate deputy minister for hospital services and continuing care; Mr. George Peters, executive director of continuing care branch; Mr. Clarence Woloshyn, the director of administration, prescription drug branch; Miss Velma Geddes, manager of accounting, finance, and administration; and Mr. Roy West, associate deputy minister for northern health, lab services, and community health; and Mr. Lawrence Krahn, executive director, medical care insurance branch; and Ms. Glenda Yeates, the executive director of policy and health economics branch.

Mr. Chairman: — Thank you very much. I want to welcome you all here today on behalf of the Standing Committee on Public Accounts. I want to make you aware that when you are appearing as a witness before a legislative committee, your testimony is privileged in the sense that it cannot be the subject of a libel action or any criminal proceedings against you. However, what you do say is published in the *Minutes and Verbatim Report* of this committee and therefore is freely available as a public document. And you are required to answer questions put to you by the committee.

Where the committee requests written information of your department, I ask that 20 copies be submitted to the committee Clerk who will distribute the document and record it as a tabled document. I would ask you to address all your comments to the chair, and I would also ask for any officials who are sitting in the back that if they're being asked to contribute, to come forward and make use of one of the mikes. The mikes don't amplify, but they are necessary to record what it is that you have to say.

I'll now turn it over to the committee members to see if they have any questions.

Mr. Rolfes: — Thank you, Mr. Chairman. Mr. Chairman, I want to first of all turn to the auditor's report and there's just a couple of questions in the auditor's report. We have resolved some of them, or the auditor informs us that most of them have been resolved, but there are a few that we would still like to ask some questions on.

The first one is on page 60 and that is on postage. The department paid SPMC (Saskatchewan Property Management Corporation) approximately 1 million in 1987-88 for postage and there has not been adequate protection on the accuracy of the charges for these services. Now I'm told that this has not been corrected or had not been corrected in the '88-89 year. Could you give us an explanation as to why that was not done?

Dr. MacDonald: — Okay, Mr. Chairman, before we start, I ask your forbearance; I'm new at the game. I wanted to tell you at the beginning, that in order to be as timely and expeditious with your questions as we can be, as the questions come up I will expect my staff who are involved in that particular area to come forward and speak.

Mr. Shaw: — Mr. Chairman, we agree with the auditor that we do not go so far as to count each and every piece of mail that goes through our mail office. We do however review logs which are provided to us by SPMC, and we

review those logs on a monthly basis for reasonableness in terms of the billings. I understand that there are alternatives being looked at at this time by both the property management corporation and the Provincial Comptroller as to a way that might be introduced that meets the department's needs as well as those of the auditor with respect to this issue.

Mr. Rolfes: — Mr. Shaw, if I may follow up, has this been a perennial problem or is this something that is just . . . the auditor . . . I can't recall this coming up before, and I don't remember everything in detail of course, but . . .

Mr. Shaw: — Mr. Chairman, I believe the way that we manage our mail is the way that we managed the mail when those services were provided by the department of supply and services, and that methodology was continued when the property management corporation began providing us those services. So the way that we now handle mail is the way we've handled mail in the past.

Mr. Rolfes: — Okay. I want to direct my question then to the Provincial Auditor. How many times has this been noted, and has it been noted in the past that this was a problem? I'll leave it at that.

Mr. Wendel: — Mr. Chairman, Mr. Rolfes, this would be the first year it was noted, and it arises because of the change in the way expenditures are accounted for within the Consolidated Fund. Previously, postage was a charge in the department of supply and services and they paid all postage on behalf of the whole government. Now postage is charged to the individual departments. Now the point of view that we've taken in the Provincial Auditor's office for many years is there has to be ministerial accountability for expenditures. So if it's going to be charged to the appropriation for the Department of Health, then they should know what makes up the charges. That's why we're reporting it in the Department of Health.

Mr. Rolfes: — Yes, I see. So it was a change in policy as to how to account for the expenditures or who would pay for the expenditures.

Mr. Wendel: — Right.

Mr. Rolfes: — Could I ask Mr. Shaw then, do you feel that for the future auditor's report that this problem should be resolved, or would it still remain a problem?

Mr. Shaw: — I understand that a satisfactory alternative is being pursued by property management corporation and Department of Finance, the Provincial Comptroller, and I'm not certain at this time whether or not that alternative has been prepared and has been agreed to by the auditor. I'm not certain . . .

Mr. Paton: — For the subsequent year you'll find the same issue being raised for probably more departments, so it'll only be the 1990, or potentially, that you'll find your resolution of this.

Mr. Rolfes: — Okay. I want to turn then to one other problem that . . . 61, on top of page 61 in the auditor's

report, and this in regards to Wascana Rehabilitation Centre. My understanding is that you had an agreement — of course it was an agreement with the province for 32.5 million. Since that time you have signed an agreement with Department of Veteran Affairs, is that correct?

Mr. Babiuk: — That's correct, Mr. Chairman.

Mr. Rolfes: — But no agreement has been reached with the Workers' Compensation Board, is that correct?

Mr. Babiuk: — That's correct. The Wascana Rehabilitation Centre and the Workers' Compensation Board have jointly developed an agreement, and they're in the process of fine-tuning the agreement and will be coming forward for signing quite shortly.

Mr. Rolfes: — What was the problem and how long did those negotiations go on?

Mr. Babiuk: — I'm not sure what the problem was but I assume that the negotiations have been going on for a number of years.

Mr. Rolfes: — I think you're right. I can remember . . . I was saying before you people had come in, I thought we had signed an agreement back in 1981 or '82 for \$12 million. Obviously there were some difficulties and no agreement had been signed.

Mr. Babiuk: — There was an order in council in 1985 authorizing the Workers' Compensation Board to enter into an agreement with the Wascana Rehabilitation Centre.

Mr. Rolfes: — Okay. The details simply hadn't been worked out, was that it?

Mr. Babiuk: — That's correct.

Mr. Rolfes: — Okay, I have no further questions on that. Anybody else?

Okay, I want to then turn to the *Public Accounts* in a little more detail. The year under review is the year in which there were considerable changes in the Department of Health. One can refer to them as — I don't want to get into any political sense — but in dramatic changes to the prescription drug program and to the dental care program. Is that correct? Was that the year, in 1987-88?

Mr. Shaw: — That's correct, Mr. Chairman.

Mr. Rolfes: — Okay, I just want to establish that we are in the right year. I will be referring to some of those in more detail a little later.

I want to turn to department advertising and related experience on . . . I've got my notes here and I just want to make sure that I have the right one here. Just give me a minute here.

Yes, on general administration, there were professional and technical services for 74,000, travelling expenses for 100,000 and stationery and office supplies for 247,000.

Could you tell me . . . These expenditures in this particular branch compared to other branches, if I am correct, are quite high. Is this in keeping with expenditures in this particular branch in previous years, or is there an inordinate amount of expenditures in any one of those three categories that I have mentioned? This is on page 137.

Mr. Shaw: — Mr. Chairman, if I might be . . . the three areas of expenditure which have been raised, I could go right to stationery and office supplies and advise . . .

Mr. Rolfes: — Just give me some of the major ones. I'm not interested in all the detail.

Mr. Shaw: — The entry we have here is that the entire stationery and office supply purchasing for the entire department, in this year, goes through the general administration subvote. So that's why it looks, in a sense, out of proportion with what you would understand to be the general administration expenditures of a department which are just the executive administration. So that's the reason for that one.

The other one — you got travelling expenses in this vote — include all of the executive administration of the department as well as the minister, so the deputy minister and the minister and the senior administrators of the department.

Mr. Rolfes: — Can you give me the breakdown of the ministers and legislative secretaries if there were any included in that time. And I'd like to have the details of those expenditures. Can you provide that to the committee?

Mr. Shaw: — I can advise you that I understand that a return was provided to you previously, dealing with the minister's travel, but we can undertake to provide you with the balance of the information that's not included in that return that you . . .

Mr. Rolfes: — Have you got the list of expenditures with you? I haven't got mine with me right now. I've got it in my office, but can you tell me just what the expenditures were and what were the trips for? Or where were the trips to, not what were they for; where were the trips to?

Mr. Shaw: — Would it be appropriate to read this into the record or simply provide a copy of . . .

Mr. Rolfes: — I'd like to have this one read into the record.

Mr. Shaw: — April 14 and 15, 1987, was a trip to Calgary. I can also add information concerning the purpose of the trip.

Mr. Rolfes: — Yes, I would appreciate that.

Mr. Shaw: — To meet with the executive director of the Alberta Alcohol & Drug Abuse Commission.

A trip July 1 to 5, 1987, to Toronto to meet with the drug manufacturers' association of Canada. A trip to St. John's on September 8 to 11, 1987, to attend the provincial

ministers of Health conference. A trip November 4 to 6, 1987, to Toronto to attend a provincial territorial conference of Health ministers. And a trip November 25 to 27, 1987, to Toronto to attend a first ministers' conference. So five trips in the year.

Mr. Rolfes: — Okay, before you leave that I'd like to just ask one more question. The drug manufacturers, was it drug manufacturers' association?

Mr. Shaw: — That's correct.

Mr. Rolfes: — What was the purpose of that meeting?

Mr. Shaw: — I don't have that information, sir.

Mr. Rolfes: — Would you be able to provide it?

Mr. Shaw: — We could undertake to provide that information, Mr. Chairman.

Mr. Rolfes: — Okay. The other professional and technical services, just give me the major ones. I'm not interested in all the detail.

Mr. Shaw: — We'll have to come back, Mr. Chairman, with that information. We don't have a breakdown of the individual expenditures.

Mr. Rolfes: — Can you just give me, maybe you don't have to . . . can you give me . . . Just for my information, would somebody be able to tell me just in general what were the expenditures for. I'm not interested in the details.

Mr. Shaw: — Mr. Chairman, I believe all I can say at this time is that the expenditures quoted in this area are generally for consulting services, and we just don't have the details as to . . . but we can come back with a list of some of the more significant contracts if that's what the expenditures are for.

Mr. Rolfes: — Yes. Okay. We won't finish Department of Health today anyway, so if you could provide that for me for . . . provide that for the committee for next day I would appreciate that. Okay?

I want to go on to human resources which is the next item. There are again professional and technical services of 130,000-and-odd dollars. Can you give me a breakdown of this expenditure and who were the beneficiaries of these expenditures?

Mr. Shaw: — Mr. Chairman, I believe the bulk of the expenditure in that category would have been for out-placement services for staff who were either taking — well not taking early retirement, but whose positions were abolished in that year. The department would have engaged consultants to provide services to staff looking for alternative employment.

Mr. Rolfes: — Can you provide the details of those who were placed?

Mr. Shaw: — We have information that states that we employed the firm of Stevenson Kellogg Ernst & Whinney

to do career planning counselling. And the amount spent there, according to these notes, was \$138,000 for those services in that year, which is somewhat in excess of the — 8,000 in excess of the expenditures noted in the accounts, so there is small discrepancy here. I wouldn't call it a discrepancy but a small difference between the two numbers. But in the order of \$130,000 was paid to this firm to do out-placement career planning, out-placement counselling for civil servants.

Mr. Rolfes: — I want to follow up on that. Isn't this an accounting firm — Ernst & Whinney — isn't that an accounting firm?

Dr. MacDonald: — They do have a management service within their organization.

Mr. Rolfes: — Yes I realize that. But what expertise do they have in dealing with . . . well maybe I misunderstand what you're saying. Are these individuals whose jobs were abolished and they need . . . It was a hiring of a firm to help them to find other positions. Is that correct?

Mr. Shaw: — Broadly speaking, Mr. Chairman, that's correct.

Mr. Rolfes: — I'm somewhat surprised that an accounting firm — maybe I don't fully realize, but I didn't know that accounting firms were in that business.

Mr. Shaw: — Mr. Chairman, I believe it's . . . they would prefer to call themselves management consulting firm, a management consulting firm which has one division which is an accounting consultancy and other divisions — assume one of them is management consulting. I do have available a list of the activities and services which were provided by the firm to the department and to its former employees, if you would like me to read those into the record.

Mr. Rolfes: — Well I would like to have you supply that to . . . I'd like to have the people that were involved in whose positions were abolished, what the positions were that were abolished.

I can understand if, for example, an administrator or a manager or an accountant lost his or her job, but what if a psychiatrist lost his or her job? What if a, you know, somebody in the social services area lost their job? What expertise does an accounting firm really have in dealing with the trauma that an individual may go through because his or her job has been abolished? I would think that there are much better people available to deal with this trauma that these people go through. That's why I find it somewhat surprising that we hired an accounting firm.

Mr. Shaw: — I believe that the firm provided good value to the department and to the employees. And as I say, I can undertake, Mr. Chairman, to provide you with the information you've requested concerning the services provided, the specific services provided by the firm.

Mr. Rolfes: — Yes, I would like to know for next day because I'd like to pursue this. I'd like to know the positions that were abolished. I would like to know the individuals that were involved. And I'd like to know what

expertise this company had, and I'm referring here to the individuals involved in helping these people through the trauma that they are going through.

I'm not sure that a manager or someone that has a master's degree or a doctor degree in management, or someone who is an accountant, is the best individual to deal with another person that is going through a great deal of trauma. Maybe they have this expertise, and if they have, great. But I'd like to know that.

Secondly, I want to know, was this contract tendered, or how did this accounting firm get that particular contract? I'd like to have that information for next day.

Now are you telling me that that was the only expenditure there of that 130,000? That was the total, there were no other . . . that was it. It went to Ernst & Whinney?

Mr. Shaw: — Yes.

Mr. Rolfes: — That's what the expenditure was for, the 130,000. Can you tell me — and this is a minor thing — there is an advertising and printing related expenses for 7,900, relatively small, but it caught my attention under this particular branch. What was that for?

Mr. Shaw: — I don't have the details but I can, I suppose, assume that an expenditure of this size — it's relatively small for a relatively small branch — deals primarily with forms and ordering forms, I suppose, those kinds of things.

Mr. Rolfes: — Well it's not a major expenditure. I don't want to take up the committee's time, but it was so small that it caught my attention.

Mr. Shaw: — We also, Mr. Chairman, we also do some . . . may have some relationship to advertising for positions which might be vacant in that particular branch as well, so advertising in that sense.

Mr. Rolfes: — Mr. Chairman, I want to turn to page . . . well it's the next page, 138, grants in support of health services. And I'm well familiar with both of these groups.

I would like to know whether you have any criteria set down for Planned Parenthood and Saskatchewan Pro-Life Association as to what you expect from these two groups in the health care services. And if you don't have that with you today, we are almost at an end, we could leave it at that, and maybe you can provide me with the information and then we will continue with that next day. But unless you can give me an explanation now, as to what the criteria are for Planned Parenthood and Pro-Life associations, what do we expect of them? Did you get a final report in that year as to their activities? Did you hold them accountable for the expenditures of those funds?

Mr. Loewen: — Mr. Chairman, I don't have the details here of the range of services that those organizations provided, but certainly in each case they were expected to submit to us a work program which qualified and outlined what the funds would be used for, and that that would have been provided by these organizations. And if you wish, I'm sure we can dig those out of our records.

Mr. Rolfes: — Well it wasn't quite the question I had asked. What were the criteria that you laid down that they had to meet, number one. And secondly, did you do a follow-up on whether or not they met those criteria?

Mr. Loewen: — In each case those grants were provided for educational services that those organizations provided at the community level and at the school level. I would have to go back to our records to know whether there was a post-evaluation done in that particular year. We certainly did evaluations from time to time on all of our grant . . . do evaluations from time to time on all of our grant organizations, but we don't do each one of them every year, although we will get an accounting for the expenditures that are made.

Mr. Rolfes: — I have no difficulties with the grants. I simply want to know whether a follow-up has been done as to what happened with the money. Did they meet your criteria? Was the work done that these groups say that they were going to do?

Obviously, I believe there's a lot of work has to be done in that area, but I simply want to know whether the groups met your expectations and did you do a follow-up, you know, is simply what I'm asking.

Mr. Loewen: — The answer to the question of whether they met our expectations is yes. They did the kind of things that we expected them to do for the money that was provided.

Mr. Rolfes: — Okay. Could you provide for the committee next day, and I will, as I say, I'll go back to some of the other things that I've asked on the previous ones and then continue with that. Do you have a report submitted by those two groups as to what their activities were, and can you make that available to the committee if it's not too lengthy. I don't want something that's 15 or 20 pages; I just don't want that. I don't want to be xeroxing all day.

A Member: — We'll undertake to provide that.

Mr. Rolfes: — Okay. Mr. Chairman, I think that'd be an appropriate time to . . .

Mr. Chairman: — It's 10:30. We're scheduled to meet again next Tuesday morning at 8:30 a.m. We'll look forward to seeing you then.

The committee adjourned at 10:32 a.m.