



Legislative Assembly of Alberta

The 28th Legislature  
First Session

Standing Committee  
on  
Families and Communities

Ministry of Education  
Consideration of Main Estimates

Tuesday, March 19, 2013  
3:31 p.m.

Transcript No. 28-1-6

**Legislative Assembly of Alberta  
The 28th Legislature  
First Session**

**Standing Committee on Families and Communities**

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Forsyth, Heather, Calgary-Fish Creek (W), Deputy Chair

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Cusanelli, Christine, Calgary-Currie (PC)  
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Fraser, Rick, Calgary-South East (PC)  
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\* substitution for Dr. David Swann

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**Also in Attendance**

Eggen, David, Edmonton-Calder (ND)  
McAllister, Bruce, Chestermere-Rocky View (W)

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## **Standing Committee on Families and Communities**

### **Participants**

Ministry of Education

Hon. Jeff Johnson, Minister

Ellen Hambrook, Assistant Deputy Minister, Education Program Standards and Assessment

Michael Walter, Assistant Deputy Minister, Strategic Services



3:31 p.m.

Tuesday, March 19, 2013

[Mr. Quest in the chair]

**Ministry of Education**  
**Consideration of Main Estimates**

**The Chair:** All right, everyone. We're going to call the meeting to order. Note that the committee has under consideration the estimates for the Ministry of Education for the fiscal year ending March 31, 2014.

I'd like to remind members that the microphones are operated by *Hansard*, and if you could just keep the BlackBerrys and so on off the table as usual.

At this point I'd like to go around the table and have everybody introduce themselves and, Minister, your staff also, please. We'll start with the deputy chair to my right.

**Mrs. Forsyth:** I'm Heather Forsyth, the MLA for Calgary-Fish Creek.

**Mr. Goudreau:** Hector Goudreau, Dunvegan-Central Peace-Notley.

**Mr. Sandhu:** Peter Sandhu, Edmonton-Manning, covering for Genia Leskiw.

**Ms DeLong:** Alana DeLong, Calgary-Bow.

**Mr. Jeneroux:** Matt Jeneroux, Edmonton-South West.

**Mr. Hehr:** Kent Hehr, MLA, Calgary-Buffalo. With me is our communications director, Amy McBain.

**Mr. Eggen:** Good afternoon. I'm Dave Eggen. I'm the MLA for Edmonton-Calder.

**Mr. J. Johnson:** I'm Jeff Johnson, the Minister of Education. I can introduce my staff in my opening comments. Or do you want me to introduce them now?

**The Chair:** Now would be good if you don't mind, Jeff, since they're at the table.

**Mr. J. Johnson:** Dean Lindquist, who's our ADM; and Mike Walter, ADM; and Brad Smith, executive director.

**The Chair:** Thank you.

**Mr. Wilson:** Jeff Wilson, Calgary-Shaw.

**Mr. McAllister:** Bruce McAllister, Chestermere-Rocky View. With me, Mr. Chair, are Naomi Christensen and Cadence Bergman, who are research and leg. assistants.

**The Chair:** Great. Thank you very much.

**Mr. Pedersen:** Blake Pedersen, Medicine Hat.

**Mrs. Fritz:** Yvonne Fritz, Calgary-Cross.

**Dr. Brown:** Neil Brown, Calgary-Mackay-Nose Hill.

**Ms Rempel:** Jody Rempel, committee clerk, Legislative Assembly Office.

**The Chair:** Okay. Very good. So we'll just go through the process on how the speaking times work. As you know, the

Assembly approved amendments to the standing orders that impact consideration of the main estimates. Before we proceed with consideration of the main estimates for the Ministry of Education, I would like to review briefly the standing orders governing the speaking rotation.

As provided for in SO 59.01(6), the rotation will work as follows. The minister will make opening comments not to exceed 10 minutes. In the hour that follows, members of the Official Opposition and the minister will speak. For the 20 minutes following that, members of the third party and the minister will speak. In the 20 minutes following that, a member of the fourth party and the minister will speak. For the 20 minutes following that, private members of the government caucus and the minister will speak. Then following that, any member may speak thereafter, and we'll rotate between opposition and government.

Members may speak more than once; however, speaking times are limited to 10 minutes at any one time. The minister and member may combine their time for a total of 20 minutes. Members are asked to advise the chair at the beginning of their speech, please, if they plan to combine their time with the minister's time. I'll also try and remember to ask what you're planning to do with your time.

Once the specified rotation between caucuses is complete and we go to that portion of the meeting where any member may speak, the speaking times are then reduced to five minutes at any one time. Once again, the minister and a member may combine their speaking time for a maximum total of 10 minutes, and members are asked to advise the chair at the beginning of their speech if they wish to combine their time with the minister's time.

Six hours have been scheduled to consider the estimates of the Ministry of Education. With the concurrence of the committee I will call a five-minute break near the midpoint of this meeting.

Committee members, ministers, and other members who are not committee members may participate. Members' staff and ministry officials may be present, and at the direction of the minister officials from the ministry may address the committee.

If debate is exhausted prior to the six hours for the ministry's estimates, then they are deemed to have been considered, and we will adjourn, although I think that's pretty unlikely.

Points of order will be dealt with as they arise, and the clock will continue to run.

Any written material provided in response to questions raised during the main estimates should be tabled in the Assembly for the benefit of all members.

Vote on the estimates is deferred until consideration of all ministry estimates has concluded and will occur in Committee of Supply on April 22, 2013.

With that, I would invite the Minister of Education to begin your remarks.

**Mr. J. Johnson:** Thanks, Mr. Chair. It's a pleasure to present today Education's 2013 budget and estimates to you. Again, joining me at the table here is Dean Lindquist, acting deputy minister of Alberta Education. We have Michael Walter, assistant deputy minister of strategic services; and Brad Smith, the executive director of strategic financial services. Behind me we also have a few others from Alberta Education. I'd like to introduce Ellen Hambrook, our ADM of education program standards and assessment. Take a bow, Ellen. George Lee is our director of budget and fiscal analysis. Laura Cameron is our executive director of capital planning. Everybody wants to talk to Laura nowadays. Leanne Niblock is our director of communications and, from my office, Chief of Staff Tom Bradley, who I think has just stepped out; and Kim Capstick, press secretary.

Mr. Chairman, we certainly had to make some difficult decisions this year with respect to the Education budget, but behind every decision that we made was how we could best support students and bring Inspiring Education to life in our schools.

Overall Education's total budget, including capital, increases slightly to \$7 billion, a \$216 million, or 3.2 per cent, increase. Now, that includes capital.

Over \$6.13 billion in operating support will go directly to school boards to support kids. This is a \$45 million increase over last year. However, we are facing significant enrolment growth, which is putting pressure on our budget and putting pressure on school boards. Difficult choices had to be made.

While we were not able to provide any increases to base instructional funding, we are maintaining the base instructional funding at 2012 levels. Small class size and inclusion funding will increase this year. This is smart spending that will benefit students in the classroom.

Our government is also planning for the future by building new schools and upgrading others in Alberta's growing communities.

This budget also supports a growing Alberta, fully funding the significant enrolment increases impacting many school districts this year.

As we go through the budget, you'll see that we're trying to put students first. This is what Albertans told us they wanted us to do through Inspiring Education and the lens they want us to make decisions through. It's the framework for the future of our education system.

Let me walk you through a few of the highlights. Budget 2013 provides a 2 per cent grant rate increase for inclusive education – this is the bucket that brings support for special needs and the inclusion strategy of the province – bringing total support to over \$385 million. This funding will help ensure school boards have the flexibility to support the unique needs of every school classroom and student.

We've heard from Albertans that keeping class sizes down is important for student success. Now, in response, we will increase funding for smaller class sizes by \$14.5 million, or 6.2 per cent – this includes an overall increase of 2 per cent for the program as well as for covering off and fully funding the significant enrolment growth that we're going to have in the system – bringing the total funding for this envelope to \$248 million this year.

We will continue to target this funding to the younger grades, the primary grades, kindergarten to grade 3, where studies show that small class sizes make the most difference.

Equity of opportunity grant. We've also included a 1.9 per cent increase to the equity of opportunity grant this year, bringing total funding to \$110 million. This grant continues the Premier's 2012 commitment of \$107 million to classroom supports for students.

### 3:40

Student health initiatives. Fifty million dollars is included in Budget 2013 for the student health initiative program, SHIP, which will transition to a new delivery model, regional collaborative service delivery. The new model is intended to deliver services on a regional basis. This will support schools and community partners to better meet the needs of children with complex needs. This is along the lines of all the wraparound services we talk about so often.

Accredited funded private schools and private early childhood operators, ECS, or early childhood services, will receive a funding increase of \$10.8 million, from \$195.5 million to \$206.3 million. This is entirely driven by increases in enrolment, particularly in

the early childhood program. So we're just funding new kids coming into the system. We're not increasing the instructional grants for those providers from this year.

Teachers' pension plan. To the benefit of our students Alberta's teachers are some of the best compensated in the country. This includes a generous pension plan. Contributions made by the government of Alberta on behalf of teachers for current services will increase by \$26 million, to \$353 million this year. In addition, government will contribute \$456 million for the cost of the pre-1992 teachers' pension liability. That funding is, I believe, in the Finance portfolio. This brings funding in support of teachers' pensions to over \$800 million in Budget 2013.

Although our overall budget is increasing, we do have to make reductions. My department must be part of the solution, and we must lead. The administration budget within the department will be reduced by \$18.5 million, or 15 per cent, through internal restructuring. Staff will be reduced by 51 full-time positions and 35 secondments. The department will continue to restructure and look for efficiencies through the results-based budgeting projects that are under way and that will continue over the next couple of years.

School boards will also need to make adjustments. To minimize the impact on the classroom, funding for board and system administration expenses will be reduced by 10 per cent of the current allowable amount.

There are several other areas where we've had to make difficult choices in order to fund enrolment and make sure that every new student coming into the system is funded. On transportation we are eliminating the one-time fuel price contingency program as of April 1. As a result, funding for transportation this year will be \$272 million, which is a decrease of \$17 million.

We also made some adjustments to our small schools by necessity grant. This grant addresses the higher costs associated with operating schools with low enrolments where it is not feasible to transport students within a jurisdiction, originally intended for remote schools. Effective for the 2013-2014 school year boards in the metro areas, Edmonton and Calgary, will no longer be eligible for this small schools by necessity funding as they have more flexibility to accommodate students in neighbouring buildings and schools.

Plant operations and maintenance funding has also changed to align with the policy shift to inclusive education. Since the introduction of the inclusive education funding model government has moved away from linking funding to special coding of students. As a result, coding has been removed from the funding formula for plant operations and maintenance, which we commonly refer to as POM. Total support to public and separate school boards for POM is \$470 million. Funding to private schools for POM will be eliminated effective September 1, 2013. However, private schools and private early childhood operators will receive an increase of \$11 million, again tied to the enrolment growth.

Infrastructure maintenance and renewal, or IMR, funding will also decrease, from \$96 million to \$77 million next year and then back up to \$100 million for each of the second and third years of this three-year budget cycle. School boards will be asked to target that funding to address their most pressing needs and to consider using capital reserves.

We're also making changes to a few other grants, including reducing the length of time an English-language learner is supported with additional funding from seven years to five and eliminating the learning resource credit allowance to school boards.

In addition to these funding reductions, we've had to make some hard choices and postpone and eliminate certain initiatives. This year's budget is focused on maintaining core educational services and getting all of the resources possible into the classroom. This meant that we had to focus our investment on students and on the classroom. Therefore, effective April 1 we are eliminating funding to the Alberta initiative for school improvement, AISI. Government will examine AISI learnings and align and implement these findings in best practices with the vision of Inspiring Ed.

We've also had to re-evaluate and adjust our timelines on full-day K. In the spirit of Inspiring Ed we will continue to work with parents, communities, and school authorities to determine the best approach for moving forward in support of Alberta's youngest students. Government remains committed to making full-day K an option for Alberta parents.

With respect to capital we have a booming student population in our province, and we need to keep building schools to keep up. I'm pleased to tell you that Budget 2013 includes \$564 million for capital projects. This investment will support the start and planning of 50 new schools and 70 modernizations in addition to existing projects.

Education's overall three-year capital investment will total \$1.4 billion. The estimated cost of the 50/70 commitment is over \$2 billion, which will be addressed in this three-year budget cycle and in subsequent budgets. Details of the new projects and how they will be funded will be provided later this spring. [Mr. Johnson's speaking time expired] Is that my time, Mr. Chair?

I think that's about it for my comments. I'm happy to take questions. There's lots to talk about, so we can get on with the first round of questions, Mr. Chair.

**The Chair:** Okay. Mr. McAllister, I'm going to assume that as Education critic you're speaking first.

**Mr. McAllister:** Ready to go, Mr. Chair. If it pleases the minister, I'd like to go back and forth if that's okay with you.

**Mr. J. Johnson:** Yeah. Sure.

**Mr. McAllister:** Maybe, Mr. Chair, I'd ask for 20-minute cues so that I know where we are. Three sets of 20 minutes?

**The Chair:** Yeah. Sure. Exactly.

**Mr. McAllister:** That would be excellent. Thank you.

**The Chair:** All right, then. Off you go.

**Mr. McAllister:** Okay. Minister, thank you. So much to touch on and so much to ask you about. I know you and I agree on a lot and disagree on some things. I appreciate that you pointed out some of the challenges that you are facing. Appreciate that a lot of people are pointing out to me the challenges that they are facing in education: the boards, the teachers, et cetera, et cetera.

I was going to start and say: congratulations on the teacher front. Things are looking good. But I've heard today that the Edmonton board may be recommending that its members don't agree to the contract. I'm sure you're aware.

I've also heard a lot of push-back from boards on that contract, and they really feel like they were left out of the process, which is going to lead me into my first line of questioning. The bottom line is that they have less money than they did last year, many of them. I think you yourself have said that 37 of 62 boards are going to have to deal with less money in their budget than they had last

year. Well, you've also pointed out that we're going to have somewhere between 11,000 or 12,000 more students in the education system. We're asking them to deal with more kids with less money, and I just can't see how that's not going to affect kids. I just wonder if you could comment on that. From the boards' perspective, what we're hearing from the boards, they're doing more with less, and they're concerned that it is going to affect the classroom. In fact, I'm not even sure that they're thrilled with the deal.

**Mr. J. Johnson:** Where would you like me to start? The deal?

**Mr. McAllister:** It's your prerogative.

**Mr. J. Johnson:** Certainly, Member, you're correct that many boards are going to have real challenges here – I don't think that's any secret – and it's not something that we've candy coated and certainly is something that we've forecasted for some time. You're right that there are additional pressures for Education, because even to hold the line on funding for the Education ministry means pressures for school boards because they do have inflationary pressures with benefits and grid creep for teachers, and many of them will have more kids in the system next year.

As you know, we've got about 20 different envelopes of funding, but most of them are tied in some way or another to a head count, to a per capita. So as the numbers go up, if you want to keep the grant at the same level, you're going to have to provide more money. I'm not sure if you're advocating for the government to spend more – I doubt that that's the case – but what we're trying to do in Education is work within a very tight envelope of dollars that we're given.

3:50

The good news is that the dollars the Education ministry is actually given are actually an increase – it's not a cut – \$45 million more in operational funding next year. We can argue that that's not enough, and I think many parents and many school boards would. But the reality of that is that that's more on a per capita basis, it's more on a per-student basis, it's more based on what you pay your teachers than just about any other jurisdiction in North America.

As we toured the province with Inspiring Education, many Albertans argued that there's lots of money in the system. This is a well-funded education system relative to other jurisdictions. They would just question: is the money in the right places?

**Mr. McAllister:** Yup. I appreciate that way of looking at it. Let me just do a follow-up, then. The one thing that we heard over and over and over again before the election campaign and during the last session of the Legislature was on long-term, predictable, stable funding: we are proud to provide that to boards, 2 per cent, 2 per cent, 2 per cent. In fact, this quote:

We will put the entire education system on a three-year funding plan, ending uncertainty over budgets and providing schools with the resources they need to meet demand from a growing population.

That was from your leader, the Premier, who often spoke at podiums before and after the election about that long-term, predictable, stable funding. You did, too.

When I reference boards doing more with less, it's because that funding that was promised to them isn't there anymore, and they have some serious challenges to face. I talked to Rocky View today. They anticipate that 5 per cent less funding this year is what it's going to work out to, with a burgeoning population. These are some real challenges. As you mentioned, staffing levels go up,

expenses go up, et cetera, et cetera. On the one hand we told them they could plan with long-term, predictable, stable funding, and then we got past the election, and we can't. What I'm raising to you is that these boards do view it as a cut. Can you see it from that side of the coin?

**Mr. J. Johnson:** Oh, certainly. As you noted, I've talked about 37 boards getting cut. They're going to have less money next year than they did this year. There's no board that's been cut by 5 per cent. We've actually put a mitigation strategy in with this budget to ensure that no board is going to get cut by 5 per cent.

**Mr. McAllister:** Three plus two. You're right, minister. To correct myself, a 3 per cent cut was the guesstimate, plus the 2 per cent promise that is no longer there, equalling 5 per cent.

**Mr. J. Johnson:** The mitigation funding that we've brought in with this budget was brought in to make sure that no board is going to see a reduction of funding of more than 2 and a half per cent. Even though we may have adjusted some funding formulas and eliminated a few – and that impacts boards differently, depending on demographics and enrolment – we put a floor on this so that no board is going to see an annual reduction of more than 2 and a half per cent. Of course, there are boards that are growing. Some are getting up to a 5 per cent increase; the Fort McMurray boards, for example.

**Mr. McAllister:** Sure. I know, and you appreciate it. We could speak on this topic for 60 minutes easily. Appreciate that I found it a challenge to go through here and limit questions to, you know, the amount that I thought we could squeeze in, so I'd like to move on to the capital plans.

Laura, I'm so glad you're here. You are everybody's favourite person these days. They all want to hear from you.

Minister, if there's one question I get over and over again – and you must, too – it's why some projects are approved and others not. I know the simple answer to that is: we can't build every school, and we can't renovate every school. But these boards – again, asking on their behalf – go through countless hours to prepare their capital plan requests and present them to you. I guess what I'd ask is: if you know that schools are needed in three different areas – let's say Airdrie, Leduc, Chestermere, Blackfalds – and they've submitted that, and you're convinced the enrolment is there, the numbers support it, how do you choose which one of those communities gets the school? We still don't see those criteria.

**Mr. J. Johnson:** Yeah. I'm happy to talk to that a little bit. I just had a look at the numbers, and Rocky View is actually projected to get an increase of 2.6 per cent next year, not a 5 per cent reduction.

**Mr. McAllister:** They will dispute that heavily. I know what numbers you're looking at. They're telling me that from all the different envelopes their funding is going down by \$5 million, and I'm sure they'll have that conversation with you if you'd make the call.

**Mr. J. Johnson:** All right. Let's talk about capital.

**Mr. McAllister:** Please.

**Mr. J. Johnson:** Obviously, there are a lot of pressing demands on the capital side of the business with the enrolment increases that Alberta has been experiencing, and in fairness to rural Alberta, where we've got decreasing enrolment, we need to make

some decisions on consolidation of buildings and modernizations of old buildings and support the school boards that have to go through those tough decisions.

What I can say is that every school board puts their capital plan together. Those are locally developed, based on their priorities, what they see their projections as, and their needs. They submit those to the ministry around the beginning of May every year. Those change every year, change on all kinds of metrics that may come at the local community or that board, and they change their priorities.

What the ministry has to do then is a very difficult job of taking those in and weighing those projects against each other across the province because there's only so much money to work with. So how do we do that? There are three main lenses that we look at these projects with. The first and most important is health and safety. If there are schools where we've found mould in the walls, if there's a roof that's blown off, if there's a Slave Lake fire that's come through, a flood in a basement, those projects obviously go to the top of the list. Those things are dynamic. They come and go, month by month. All those types of things happen. That's the first thing we look at, and that's why the lists are dynamic and they change over time.

The second thing we look at is enrolment pressures. These are communities like Airdrie and Okotoks and Fort McMurray, communities where we have kids, but we literally don't have desks for those kids. That's the second one.

The third lens that we look at these under is: has the local school board exhausted all possible partnerships with respect to that infrastructure? In other words, there is consideration given and a weighting given to school boards that are going out of their way to partner and get the most value for the taxpayer for that infrastructure, whether they're partnering between a Catholic and a francophone and building a building together or whether you've got a situation like Olds, where Olds College partnered with the municipality and the school division, and they built a school right on the Olds College campus. Communities that are sharing a multiplex: Lac La Biche, where they're bolting a school onto the community library and the multiplex.

Those things are things that we want to incent and that we're encouraging boards to do, and if they're not doing it, we're asking why, and we're telling them that if they've got great, innovative, creative projects that are going to be delivering better programs and better use of the infrastructure, they're going to get more consideration.

**Mr. McAllister:** All right. There isn't really a formula. I understand the factors that you consider. What you hear from boards is: "You know, we feel like we met those criteria. We feel like we're bursting at the seams and doing all we can." Then they look at another community that is getting a new school.

We definitely don't want to pit communities against communities. We all know we're in a funding crisis, but I think that Albertans are reasonable, and what they're saying is that they would like to know. They would like some feedback. As I move along here, I would just encourage the minister that when Laura and the rest of you have worked out the capital plan and you've let those know who are getting their projects approved, that you place a call to the boards that aren't, and let them know, maybe, reasonably, if things don't change too much, where they might be in terms of priority down the road. These communities are telling me that they just don't hear back, and they're finding that very frustrating. That's why I continually press you for a list or criteria, so that we can say: "Okay. Well, here it is. I can tell you that if you're wondering in Airdrie where you are, you're probably 74."



I know you continually say, “Well, things change every year, and we have to move schools up and down,” and I do understand that. You know, in my own riding that happened last year. Cochrane has gone to number one. It was not, I don’t believe, on the capital plan the year before. I toured that school in Cochrane. They’ve got kids on a stage. I don’t know if you’ve been there. They’re doing all they can, and there’s no question that they need to be at the top of the list.

I would just encourage you to do that. People would be thrilled to hear from you.

I want to ask you about the 50/70 plan that was announced during the election campaign. I think at first it was announced that we were going to build 50 schools and renovate 70 schools this term. Then later in the day a press release was sent out that said that we were going to do that based on surplus. I never did understand that.

4:00

I think the first question that I asked in the House – I’d have to go back – was: “Should we be building schools based on surplus? Why not look at some of that AOSTRA funding on surplus and flip it around?” The minister at the time didn’t give me a very straight answer, which is not all that unusual. On a Friday afternoon not long after there was an announcement that we were going to build schools anyway and it wasn’t based on surplus. I think it was Mr. Horner that made that announcement in Edmonton.

So 50 and 70 is a very ambitious goal. We all know that we need a lot of schools. According to the capital spending on page 53, I think it’s line 3.1, there is \$477 million to school facilities infrastructure. But here’s the thing. How much of that is for new funding that wasn’t previously announced? How much of that \$477 million is going to that 50 promise and that 70 promise?

**Mr. J. Johnson:** Over the three years we’ve got a capital budget right now of \$1.4 billion. Approximately just over \$500 million – is it \$503 million? – of that is towards the new 50 and 70. In this year’s budget there’s \$63 million directed towards the new 50 and 70. Really, what’s going to happen in this year’s budget is predominantly planning and tendering and all that kind of work that’s going to roll out the door.

**Mr. McAllister:** Yeah. I’m concerned with that because you and I both know it takes a while to build a school. You know, the longer we wait to build them, the longer it’s going to take to get kids in them. I think some would push to see the shovels in the ground sooner than later. If we were going to be heavy in one year, it would make sense to do it sooner.

I’ll go through these numbers a little closer on, again, the 50 and 70 plan. In the capital plan you said I think it was \$200 million in the second year, \$63 million in the first year, so \$263 million to new projects. I know it’s tough to give a number because each school costs a different amount, but do you have any idea how many projects the \$263 million will enable to you to start in terms of new schools and renovations?

**Mr. J. Johnson:** It’s going to enable us to start most of the projects, especially from the planning perspective. You have to keep in mind that these are not small projects. I mean, you’re talking about \$20 million to \$60 million per building, and you need to have the capacity to plan that and tender that out. I know folks would like to get a shovel in the ground, but it’s pretty tough to get a shovel in the ground the first month the funding is announced.

**Mr. McAllister:** Do you have any idea how many schools that \$263 million will represent?

**Mr. J. Johnson:** That’s going to get most of the 120 announced, the planning started and out the door, though I don’t have a specific number on those for you.

**Mr. McAllister:** How long do you think, again, making sure that we separate projects that were previously announced?

**Mr. J. Johnson:** I understand. These are all new projects, the numbers you’re talking about.

**Mr. McAllister:** Perfect. Yeah, the \$263 million. I was under the impression that at some point there was an announcement from the government that it would take up to \$2 billion to build 50 schools and renovate 70 schools.

**Mr. J. Johnson:** That’s right.

**Mr. McAllister:** Right. If we’re talking about \$263 million – I don’t claim to be a mathematician or a lawyer, but I do know that \$263 million is a long way from \$2 billion. So you see where I’m going with this. It doesn’t look like we’re anywhere near the 50 new schools and the 70 renovations that were promised.

**Mr. J. Johnson:** What you’re talking about is the activity within the first 24 months. Everyone knows that it takes a lot more than 24 months to plan, tender, and build a \$60 million school, and you don’t pay for that school until it’s completed. So you don’t have to fund the \$2 billion the day you announce the schools. We flow this cash as these projects are tendered, as the work is done, as schools are finished. Some of them will be P3s, and those P3s, of course, are alternatively financed. I think you’ve got one in your constituency.

**Mr. McAllister:** Yes.

**Mr. J. Johnson:** Good schools. Great way to do it, building them a lot faster and a lot cheaper.

**Mr. McAllister:** How much cheaper? How much is a P3 roughly?

**Mr. J. Johnson:** Well, again, it depends on the school. What we’ve found is that for the projects we’ve done – ASAP 1, ASAP 2, and ASAP 3 – we figure we’ve gotten those projects done about two years faster on average than they normally would have been completed and about 20 per cent cheaper.

But P3s don’t make sense for every project. That’s one of the reasons why, as we announce capital and roll them out, they aren’t just rolled out in a sequential order: one, two, three, four, five. There may be a number of schools that are a couple down the list that make sense to bundle in a P3 because they’re in the same area or they can be built by the same winning vendor. We look at the design/bid/build projects, and we procure these schools in different ways. Not all of them are just a one-off or just a grant. We don’t just roll out schools based on the next number that may be on the list. It’s how we get the best value for the taxpayer. I think you can probably appreciate and support that.

**Mr. McAllister:** Sure. I’m sure there are a lot of factors that go into it, you know, that would place them on the list. If that were part of the criteria, we would understand that, and we could see where they were.

Minister, then just a very direct question on the promise to build 50 schools and renovate 70 schools this term: will you be able to accomplish that?

**Mr. J. Johnson:** I think for some time now we've been saying that to get all those 50 and 70 completed within this four years, by the end of 2015, the start of 2016, is not going to be possible. What we're hoping to get done within four years may take five or six, but the good news is that we're still committed to the 50 and 70. They're going to be funded as part of the budget that the province is putting forward. Some of those are going to be alternatively financed, but the good news for parents and kids is that we are going to deliver those schools.

**Mr. McAllister:** Do you have any idea how much longer?

**Mr. J. Johnson:** I don't because those are things that depend on tenders and which projects come out, but we expect that they will all be done within six years, hopefully five. A good number of them will be done within four. It's just that they won't all be completed. They don't all start and finish the same day, right?

**Mr. McAllister:** No.

**Mr. J. Johnson:** They come in phases and they're different sizes of projects and they're in different communities around the province.

**The Chair:** That's your first 20.

**Mr. McAllister:** Thank you, Mr. Chair.

Minister, I completely recognize that it takes time to build schools and renovate schools. There's not an MLA here, regardless of our party association that we're with, that wouldn't want to see them in our own riding. The trouble that I have, that people keep coming back to me on is, you know, that was an unrealistic promise. We know we're not going to do it in the time that was promised.

I know that you've made difficult decisions. It's my job to try and go through this and find out where students are being affected the most and ask you questions and then, you know, if I stumble upon something that doesn't appear to make sense, to ask you about it. Clearly, I'm trying to do that and be respectful about what you've done. I know you've got a lot of people working very hard to throw this together.

Times are tough. Teachers have taken zero, zero, and zero. You cut AISI funding. You eliminated that fuel contingency top-up program, and I'll ask you about that in depth a little bit later. That 2 per cent long-term predictable funding that was promised is gone. It's safe to say that you went through here, you know, line by line with a fine-tooth comb and made some difficult decisions. Why did you spend 32 per cent more on your minister's office budget?

**Mr. J. Johnson:** Really good question, actually. It's quite simple. It's because the press secretary's role was moved over to the minister's office, so that's what the dollars are for there. We didn't have press secretaries or directors of communications in the ministers' offices in this capacity prior to last year.

**Mr. McAllister:** I'd appreciate, you know, a little bit of clarity there, 32 per cent. You didn't have anybody representing you in the press previous to this year in Alberta Education, in your minister's office?

**Mr. J. Johnson:** The capacity that we have now in the minister's office: a lot of those jobs were done out of the department before. It's not that we added people. We just moved the capacity over into the minister's office.

**Mr. McAllister:** For those that might be listening in as I follow up, Minister, line item 1.1 on page 52 – that's your office in the estimates – budgeted for \$505,000, and you spent \$665,000. That is, as I said, a 32 per cent increase. You know, it just doesn't look good. Why to this point did you not have a press secretary?

4:10

**Mr. J. Johnson:** I wasn't in the role before that, so I can't answer that question. But I can tell you that they're pretty valuable.

**Mr. McAllister:** Yeah. I know they are.

**Mr. J. Johnson:** She's come in handy in the last few months and the last few hours. I wouldn't give her up for twice that, I don't think.

**Mr. McAllister:** The point I'm raising, Minister, to be fair and frank, is that you have asked boards to cut their administration by 10 per cent and you've trimmed a lot of areas. Those same people look at your office and see a 32 per cent increase. Can you understand how that stops people in their tracks?

**Mr. J. Johnson:** Well, let's not overdramatize this. The ministry had a budget of about \$138 million. We made a lot of realignments in the ministry if you want to pick any particular office in that ministry. I think what we need to do is look at that as a whole. We didn't add capacity necessarily in the communications area. We just moved it to different offices so that it ends up in different budget line items. Overall, in that ministry, in that department, that \$138 million budget has just been reduced by over \$18 million. To say that, you know, that kind of a 15 per cent reduction and telling 86 people that they no longer have a job is not going far enough – I would dispute that. I would say that that's setting quite an example and is probably one of the deepest cuts to a department on a percentage basis out of the entire government budget.

**Mr. McAllister:** I think, Minister, you heard loud and clear that you needed to make some cuts and you needed to do some trimming, and you were wise to hear that. I think to trivialize your increase is wrong because, frankly, you can all remember back to the no-meet committee. You know, sometimes the optics from the public on these things are what they are. They expect us to be accountable. So when you see that number, I need to ask about it. I will not apologize for asking you why your department's budget went up 32 per cent. It stood out to me.

**Mr. J. Johnson:** Well, hang on. I respect what you're saying, Member, but my department's budget didn't go up.

**Mr. McAllister:** Your minister's office budget. Sorry.

**Mr. J. Johnson:** My minister's office budget is part of my department budget. We could certainly pull people into my ministry or do work for my ministry but leave them in an office in another building and second them. You can move the money around. It's the same amount of people doing the work for the same amount of money. It just depends on which budget line item you put it in. So let's not let anyone believe that we actually increased the department's budget or my ministry's budget by 32 per cent.

**Mr. McAllister:** No, not the budget. Your minister's office, by 32 per cent. You're right. I should have been clear.

Again, I should probably apologize up front because when I'm looking through this document – you know, it's my first time through this, too – there are things that I do not see that I thought I would see and there are things I see that don't make as much sense

to me as they probably do to others that have been around here a little longer. But during the election campaign the Premier, I think recognizing all the hard work that teachers did and the fact that they often contribute their own money into the classroom, promised a \$500 tax credit. I remember her speaking to that. I remember you speaking to that. With 35,000 teachers I think you even said that it would be a couple of million dollars. I admit to being new, but I look through here and I can't find it anywhere. I know you promised it. Am I missing it?

**Mr. J. Johnson:** No. It's a good question, Member. Anything that has to do with taxes – tax rebates, tax deferrals, tax credits – all falls under the Ministry of Finance. We don't actually put a line item in the department's budget for a tax credit that we might be offering as a province to any particular industry or group. So that's a question, unfortunately, I can't answer for you. The Minister of Finance would have a better idea. I don't believe he's settled exactly on what that looks like or how that rolls out, but you'd have to get clarity from him.

**Mr. McAllister:** You suspect, then, that I'll find that \$2 million tax credit for teachers in the Minister of Finance's budget?

**Mr. J. Johnson:** That's a question that you'll have to ask him. I don't have an answer for you.

**Mr. McAllister:** Okay. What else I can't find in here as I go through is the money that was committed for the promise of all-day kindergarten that would be in place after the election. I remember, again, a lot of controversy. That's probably a separate debate as to, you know, where the public lies on it. But I don't see it in here. Where is that line item?

**Mr. J. Johnson:** There is no line item for full-day K, and I guess the reason is simple. We haven't landed on exactly what that is going to look like or in what phases or at what point in time it's going to roll out. What I can tell you is that there's been quite a bit of work done.

I preface this by saying that we absolutely have the commitment to roll out full-day K. We do have full-day K in the province today. It's just not explicitly funded or delivered. It's delivered by school boards who feel it's important in certain communities or certain areas, so they top up their half-day K funding that the province gives them. There is full-day K out there for select groups and students at risk.

What we're working on is trying to understand the exact costs of rolling out full-day K because there are operational costs to that in terms of teachers and programming. There are also infrastructure pressures that are going to come along with that, especially for communities that have these real growth pressures. We're also looking at, you know, does this need to be delivered in all of our schools by certificated teachers? We've got really good ECS programs, early childhood services, that are delivering pre-K. So can some of these in some communities maybe potentially not be delivered in schools and be delivered by those other providers?

I was out in B.C. meeting recently with the minister out there, and we talked about how they rolled out their full-day K. They rolled it out in phases because it's costly and it's quite a bit to take in one bite.

There isn't anything in the budget for full-day K because we're not sure what it's going to look like.

**Mr. McAllister:** Right. Thank you for that.

The reason I bring it up again is because I couldn't find it. I know that the Premier promised that it would be done after the

election campaign and it would be done expediently, and it's not. You know, I guess it's one of those promises that I know you're committed to, but effectively we're not going to do like we said we were going to do previous to the election.

The provincial achievement tests in this province. As I travel around – I know you do, too – every parent, every teacher, every board member has an opinion on these PATs. I'm not even getting into the debate over the relevance, although we certainly could, but I'm thinking fiscally. First of all, what do the PATs cost to administer, to mark, to develop? In other words, for every step from A to Z for the provincial achievement exams, what do they cost a year?

**Mr. J. Johnson:** Just let me answer quickly the one question you left on the full-day K. I want to reconfirm that absolutely it is something we want to deliver. You know, with the promise there wasn't a particular timeline, but obviously we want to deliver that as quickly as we can. I'm working with the Minister of Human Services and the Minister of Health on that because it's a larger file than we thought originally and it ties into early childhood development. It's not a stand-alone item.

On the PATs, the standardized testing that we do, which would include the grades 3, 6, and 9 PATs and the dips, the diploma exams, the total cost to administer all of those standardized assessments is \$20 million per year. Most of that cost is in the diploma exams, I think about \$14 million, and \$6 million of it is to deliver the grades 3, 6, and 9 PATs. To eliminate one of those theoretically – I mean, people are doing a certain job that just doesn't get removed if you eliminate one of them. So it might save a million dollars to get rid of the grade 3 PATs if that's what you're getting at.

**Mr. McAllister:** Sure. Listen, I don't ask you to say: how do we eliminate an evaluation of a student to save us some money? I ask you because parents out there are looking for something to be done on the PATs. It's good to know what we do spend on them.

Thank you, by the way, for breaking it down. That would have been my follow-up question: can you bust it out into grades 3, 6, 9, and 12? I think you just said that, you know, roughly two-thirds is grade 12, and probably the other is divided equally, I would assume.

Maybe I can do a follow-up question, then, because I think it's great for Albertans to hear where we're at with that. Do you have some plans to change the PATs to better reflect 21st-century learning? Do you plan on eliminating the grade 3 PATs? Is there any time frame in place for these changes? As I say that, again I bring it forward because I know you've been hearing about it for a long time, and in my year or so in this role I hear about it everywhere I go. So people want to know where government is with it.

4:20

**Mr. J. Johnson:** Really good questions. The answers are yes and yes. I can't remember what the questions are. As I went through, I remember thinking yes and yes.

**Mr. McAllister:** Are you going to eliminate grade 3?

**Mr. J. Johnson:** Yes, we're going to eliminate the grade 3 PATs. It was a promise of the Premier during the election, so it will happen. Do we have plans for replacements? Yes.

**Mr. McAllister:** Replacements in grade 3 you have plans for.

**Mr. J. Johnson:** Yeah. You know, you raise a good point in terms

of 21st-century learning and modernizing the assessment, so it's not just the grade 3 PATs that will change. It's all of those standardized assessments. If we've learned anything from the Dorval situation here in Edmonton, it's that there is really still a need for standardized assessment because most of the assessment that happens in the classroom or happens on a day-to-day basis is purely at the discretion of the teacher, the principal, direction from the school board, you know, the professionals on the ground. That's the way it should be, but Albertans still want that assurance that there is some standardized assessment throughout the life of that child.

What the Dorval case reinforced for us is that educators on the ground don't agree on how to assess children, so a child is going to be assessed in a different way depending on what classroom he might be in in the province or what teacher he might have. There is a real need to make sure that at some point in time during that child's life the ministry is doing some form of standardized assessment.

Parents and the parent councils – I just met with their provincial body this weekend a block from here – are adamant that we keep some form of standardized assessment.

**Mr. McAllister:** Any time frame on the grade 3 elimination?

**Mr. J. Johnson:** Well, you talked about modernizing assessment, and absolutely we are going to do that. We want to make sure that we've got some ideas and some plans in place before we remove the grade 3 or grade 6 or 9 PATs because standardized assessment is important. We want to have something to move to.

**Mr. McAllister:** So no time frame, but a discussion.

**Mr. J. Johnson:** No. It's getting closer.

**Mr. McAllister:** Okay. I'll just point out, and you well know this, I'm sure, that in 2009 those members that were here – there are many around the table – had a great discussion about this in the House, and I think that the vote at the time was to do some of these things. You know, that was in 2009 that a motion was brought forward, again, by one of your members. That's good. I think a lot of people will be happy to hear that we're moving in that direction, and they'd like to hear exactly what the plans are. Please share them as you go along in the process.

You mentioned the Dorval case, which just made me think of another question sort of on the fly here. For those that aren't aware that might be listening in, Lynden Dorval was the teacher that was effectively fired for giving zeros. There was a big uproar in Edmonton and in the province, frankly, because I think that the great, great majority of Albertans believe that a student should be accountable. We could spend the next 16 days talking about that debate, so I won't, but we certainly believe that, too.

One of the things that I've heard is that funding for high school students to the board, to the school – is there a cut-off that if a student doesn't receive a certain percentage, the funding doesn't go through?

**Mr. J. Johnson:** There is some funding tied to the student performance and attendance, more attendance than anything. Just as you said, the student should be accountable, right?

**Mr. McAllister:** You bet.

**Mr. J. Johnson:** So should the taxpayer pay for a student that doesn't show up to class for the entire year?

**Mr. McAllister:** Are you aware what the average is, what the cut-off is?

**Mr. J. Johnson:** The guys will give me the exact details so I'm not wrong, but I believe that it's . . .

**Mr. McAllister:** I bet you know it.

**Mr. J. Johnson:** . . . 50 per cent attendance or 25 per cent on the class to get completely funded, something like that.

**Mr. McAllister:** So 25 per cent on the mark.

Going back to the Lynden Dorval thing, you know, I recognize that as a province you absolutely have to make sure there's accountability in the system, but on the other side of the coin, could it be that school boards or schools feel the need in some cases to make sure a certain percentage is seen from a student? Does it concern you that that might take place so that the funding does come through?

**Mr. J. Johnson:** I think that of greater concern is the reluctance to tie accreditation with competency and tying it to how many minutes you spend at a desk. Certainly, we want that accountability from the student side, and we want to make sure that they're learning the content and mastering those skills before they move on. There has not been a great discussion about – if what I'm kind of hearing or you're asserting or might be alleging is almost falsifying of grades just so that we get funding for students, I don't think that's rampant in the province, and I haven't heard a lot of . . .

**Mr. McAllister:** Nor do I. Those are your words, not mine. What I'm saying is: do you think that boards and schools in some cases are feeling pressure knowing that if a certain mark isn't made, they will lose funding? Do you see how that might present itself?

**Mr. J. Johnson:** The benchmarks for that funding to be delivered are so low that I don't see how that's relevant.

**Mr. McAllister:** Well, you know, I don't know where the no-zero policy came from.

**Mr. J. Johnson:** You know, that's a really good question.

**Mr. McAllister:** No, I didn't ask you a question. I was just talking.

**Mr. J. Johnson:** We don't have a no-zero policy.

**Mr. McAllister:** I know that, Minister, and I don't want the 10-minute explanation.

**Mr. J. Johnson:** You'll have to talk to the local school board about that one.

**Mr. McAllister:** I don't know if you noticed, but the price of diesel fuel is not going down. You just eliminated the fuel contingency top-up to school boards, and this is really, really, really going to hurt rural boards. Are you concerned about that and the kids in these rural areas in particular?

**Mr. J. Johnson:** Well, a couple of points there. One is the transportation funding and the fuel contingency. Obviously, it's something that I would like to keep in the budget if we could, but, again, when you're strapped and you're looking to keep all the dollars in the classroom, it's the one thing that actually wasn't in the budget going forward. It was a one-time envelope that was in the budget for this last year, and it wasn't scheduled or forecast to be continued. So we weren't able to put it back in. It's not a matter of us removing it. We just weren't able to put it back in.

**Mr. McAllister:** Thank you, Mr. Chair.

**Mr. J. Johnson:** Do we keep going?

**The Chair:** That's the second 20.

**Mr. McAllister:** Yeah. We're 40 minutes through.

**The Chair:** Okay. So you've got 20 minutes.

**Mr. J. Johnson:** Do you want me to answer the rest about the rural?

**Mr. McAllister:** Please do, Minister.

**Mr. J. Johnson:** Yeah. I'd love to be able to give them more money on the transportation side.

One of the things that is happening out there is that – and I wouldn't assert that this is most boards or all boards, but certainly there are boards that are running surpluses on their transportation. There's \$39 million in surplus this year on transportation budgets around the province accumulatively. There are a number of boards that have gone out of their way to have creative, co-operative transportation agreements with the neighbouring jurisdiction or the Catholic system that they share a footprint with. You know, STAR, St. Thomas Aquinas, out of the Leduc area is a great example. They've got five co-operative busing arrangements with other schools boards that share their footprint. But not everybody is doing that.

I think that as we challenge and are forced to challenge ourselves during this tough budget, more creative solutions are going to come forward, and we're going to find ways to manage with the transportation budget that we've got.

**Mr. McAllister:** Are you concerned that the creative solution might be that when a board and a school have less money, it might wind up that the parent pays more in fees?

**Mr. J. Johnson:** Well, those are decisions that are made locally, and not every school board – the school board that my kids go to doesn't have fees.

**Mr. McAllister:** Yeah. But it's from the top down. It's from that decision affecting the other decisions, right? It rolls downhill.

**Mr. J. Johnson:** Those are decisions made at the local level. Those are decisions made by school boards in discussions with their parent councils and others. They're accountable to their local electors. I'm not setting school fees.

**Mr. McAllister:** No, and nor should you. But I do point out, as several Albertans do, that when the money going to school boards and schools is less and particularly in these areas where we know they're going to have to pay more, they're going to be tasked with finding it, and that often makes its way into the wallets of parents. You know, we're very concerned about that because there are a lot of fees in the public education system, some of them very justifiable, I think, and some of them have a lot of people up in arms. I think there was a story in Calgary about 3,000 sets of parents being chased down by a collection agency. I know you don't want to see that, and neither do I. So, you know, we just wonder if this isn't going to produce some more of that.

Now, last year the Education minister during these estimate debates said that the Department of Education had requested itemized lists of what school boards were charging for fees. Would you make that public? Would you let everybody know what that is? Clearly, you haven't.

4:30

**Mr. J. Johnson:** Are you talking about the motion for a return that was talked about yesterday or something broader than that?

**Mr. McAllister:** Last year the Education minister said that he had sent out a request to boards: "What are you charging? We want to see a list of everything you charge for."

**Mr. J. Johnson:** Yeah. Well, I think the hon. Member for Calgary-Buffalo brought forward a motion for a return for exactly that. It was debated in the House yesterday, right? Wasn't that yesterday, last night?

**Mr. McAllister:** He wasn't there, and neither was I.

**Mr. J. Johnson:** We can't talk about the absence of a member, right?

Yes, you're right. The previous minister had asked school boards for a report on their fees for the previous school year, so we have that. Absolutely. We agreed last night to make that public, but the request for years previous to that is information we don't have. Typically we don't track that. We don't ask school boards for an inventory of their fees. Anybody who wants it can sure go to the boards and ask them themselves.

**Mr. McAllister:** Do you have that number now? Do you have any idea what boards charge in a year in fees?

**Mr. J. Johnson:** Well, it varies by board.

**Mr. McAllister:** But the total?

**Mr. J. Johnson:** I don't have that, but maybe the guys do. I'm going to guess it's at the \$100 million mark total, but I don't know. We'll see if we can get that for you by the end of the session.

**Mr. McAllister:** Excellent. Thank you.

You mentioned P3s earlier. Minister, I want to see schools built, like everybody else. We could have different, you know, theories about how to spend, but I know we both want to see the kids in the classrooms. How long does it take a P3 to be built from the announcement to completion?

**Mr. J. Johnson:** You know, that's a good question that I can't answer off the top of my head. It depends on the school. Even the P3 projects that are done together as a bundle would take different times to build because they're done in different communities and are different sizes and they'd be done on different topography.

**Mr. McAllister:** Do you think it's quicker, more expedient than the previous process?

**Mr. J. Johnson:** Absolutely. Our experience over three rounds of P3s has shown us that they're getting built quite a bit quicker, especially when you package in and consider all the architectural work, the design work at the front end. They're telling me two to three years.

**Mr. McAllister:** Two to three years. What would it have taken on average to build a school?

**Mr. J. Johnson:** Well, I think at least four, four to five. When I was in Infrastructure, you know, the stats I recall were that they were getting it built two years sooner on average, and they were being built 20 per cent cheaper. Those were good numbers, and I can't exactly tell you what the ASAP 3 ones look like.

**Mr. McAllister:** You know, speaking of the funding, I raise the issue because I've heard from some their concerns that they take a little longer to build. Clearly, you and your department don't see that as the case, so that's good news. Obviously, I'll have to double-, triple-check with whoever it was that passed that on to me.

With the P3s is there any way to look at one project and just come up with a number for what that school cost to build?

**Mr. J. Johnson:** I'm not sure I understand the question.

**Mr. McAllister:** Well, I asked you earlier, and I think you were telling me 20 per cent cheaper, but at the same time you're telling me that you can't give me a number for what it costs to build a P3. So what I'm wondering is: what does it cost? It would be great if everybody could see that they are indeed cheaper at the end of the lease, when everything is bought and paid for.

**Mr. J. Johnson:** Well, Infrastructure has value-for-money studies actually up on their website about the P3 projects, so if you look at that, there's some more concrete information there that I don't have at my fingertips. One of the challenges of costing out and giving you a specific dollar for the capital of one particular school in a P3 is that they're bundled together. The whole idea behind it is that you're bundling the financing, you're bundling the maintenance, and you're bundling the capital cost. Those economies of scale are giving you a cheaper product, a high-value but less expensive product. What you don't see from the vendor is a cost on the capital per school. You see a total cost for, theoretically, 15 schools, and you see a cost per year over 30 years because the maintenance of that building is built into the P3. So it's impossible strip out the capital for one particular project.

**Mr. McAllister:** Absolutely. And if it makes, you know, financial sense and you're getting the schools built, wonderful. I just think it's always nice to have the numbers laid out so that the public can look at them and say: "You know, I know that this is exactly what they're saying. This is all measured right here. Here are the concrete values that we can look at." That's why I ask you for some hard numbers.

**Mr. J. Johnson:** What they do do, though, hon. member – when we're putting these together, there is a metric that they can benchmark them against. It's called the private sector comparator. That's one of the things the Auditor General and others have looked at and Treasury Board looks at when they make a decision whether we should be using a P3 or not. How much would those projects cost if you built them as stand-alone projects under traditional methods and you maintained them for 30 years? You take the net present value out of that, and you have your private-sector comparator, and you compare it to what the P3 bids are. If it's coming in quite a bit under, then we go with the P3s. If it doesn't, we don't.

**Mr. McAllister:** Minister, you mentioned, I think, in your opening comments – and, again, correct me if I'm wrong; I'm sure you will. There are so many line items. I believe you said that you froze plant operations and maintenance in the public sector but eliminated it in the private sector.

**Mr. J. Johnson:** For the private schools.

**Mr. McAllister:** Yeah. Why?

**Mr. J. Johnson:** Well, there are a couple of things we did with POM, if I recall. The guys will correct me if I'm wrong. The plant

operations and maintenance is basically lights-on money. It's the operational money for a school. What we in the past have funded is – we had a weighted formula based on how many kids may be coded as severely disabled.

You know, our whole inclusion approach and formulas on funding have changed. Instead of funding coded kids, what we do is fund a demographic. We fund a profile for a school board. We removed that also out of that approach: that same policy, that same model. We removed that out of the operational money. We've removed the weighted portion for severely disabled kids out of the operational money so that every kid's operational dollars are essentially the same. That was in the public sector.

The other thing we did in the private sector – sorry. I shouldn't say "sector." It's schools. We have our public schools, and we have our charter schools, the separate schools. They're all in one lump. The private schools, the accredited, funded private schools, get up to 70 per cent of the instructional base funding for the student, but they don't get transportation dollars. They don't get capital dollars. That's one of the main differences from the public system. And they don't get maintenance dollars. But what they have gotten in the past is plant operations and maintenance dollars.

**Mr. McAllister:** Right. They don't get it anymore.

**Mr. J. Johnson:** They don't get it anymore. Yeah.

So when we were looking, again, at areas that we would have to cut in order to make sure every new kid coming into the system is getting funded, we looked at the administration. We looked at the transportation. We looked at the maintenance. We looked at all those things that we could compromise to make sure we weren't compromising instruction.

**Mr. McAllister:** You know, what's the difference between a student in a private school and a public school?

**Mr. J. Johnson:** One is in a private school, and one is in a public school. I think you and the hon. Member for Calgary-Buffalo can have a great discussion about that one.

**Mr. McAllister:** Yeah. I know you wish we would.

**Mr. J. Johnson:** Traditionally the policy of this government has been that we will invest in that child's instruction or education, but we will not pay for the capital for that private school or transportation. That's really where we draw the line in our funding, and that's why that envelope of funding has always been a little suspect because you could argue that it goes towards maintaining and upkeeping the capital.

**Mr. McAllister:** Okay. Those in private schools, as you can appreciate, have a voice, too, and what they're saying is that you froze it in the public system and you cut it from the private system. What's the difference? That's what they're saying: "Why are we getting cut and they're getting frozen? Why are we eliminated and they're frozen?"

**Mr. J. Johnson:** Well, as I think I just said, we have a policy that we don't fund capital in privates. Many have argued that this is a grey area that we shouldn't have been in in the past. So when you get into really tough times and you've got competition for that dollar, does it go into instruction or does it go into capital? It's going into instruction.

You could put it this way. We would have had a choice: do we fund all the new kids coming into that private school, or do we fund their operations for their building? That's really the choice we had.

**Mr. McAllister:** Tell me which schools you don't want to build.

What about charter schools? I think I read – I don't know if it was in here or if it was on your Department of Education website, maybe – that every charter school is looking at reduced funding this year. Thirty-seven of 62 boards in the public system, but every charter school.

4:40

**Mr. J. Johnson:** That could be possible. I'm not quite positive. It depends on their enrolment and their demographics. They weren't targeted specifically. They have the same funding envelopes that the public system has.

**Mr. McAllister:** It's on the website. Your guys, I'm sure, are aware of it.

**Mr. J. Johnson:** It could be. You could very well be right. I just don't have those lists in front of me.

**Mr. McAllister:** I guess I'm asking a question on behalf of charter schools. You know, it seems like we know times are tough, but students are important in every school. Why are we all looking at decreases in funding?

**Mr. J. Johnson:** Well, like you argued earlier, most school boards are looking at decreases in funding. The ones that are getting increases in funding are tied more than anything to enrolment growth, and charter schools are capped in terms of their enrolment growth. If they don't bring new kids into the system, they're not going to get more money, and many of them have those restrictions that they're not allowed to bring new kids into the system.

**Mr. McAllister:** I know many of them that are at a maximum, bursting at the seams, with capped waiting lists. They've got the kids; they just need the facility.

You have mentioned that you have added \$17 million to the class-size initiative. Well, parents are really concerned about class sizes. Do you have any idea how many of the 62 boards are meeting the class-size initiative?

**Mr. J. Johnson:** You know, at varying levels all of them do, but what we look at is an average across the school board. Like I said in my opening comments, we're really not looking very closely at or investing in every class in the system. We're targeting our dollars into those primary grades because that's where the best bang for the buck is, that K to 3.

I know that class size is certainly a factor. It's a factor for teachers. It's a factor for parents. But I can tell you as a parent that probably one of the most challenging years that any of my kids had was when they were in the smallest class they've ever had, and it's because of the makeup of the class. It's because of the resources and the supports and the challenges that are in that class or not. The diversity that we have in our schools in Alberta now, with so many new Albertans, English-language learners, or any of the behavioural issues and those things that come along with inclusion and that diversity in the classroom, creates a lot of pressure. One of the things that we're really focusing on is trying to make sure that we have that capacity at the teaching level and that we're providing supports and professional development on that side but also the other supports that those students need in a diverse classroom, from ESL funding to occupational therapists to speech language pathologists, all those pieces.

**Mr. McAllister:** Yeah. Agreed. You know, again, I think you and I see much of those initiatives in a similar fashion. All I was

asking you was: do you know how many boards of those 62 are meeting the class-size initiative?

**Mr. J. Johnson:** I don't have that information.

**Mr. McAllister:** Do your people? Do any of you guys know how many boards?

**Mr. J. Johnson:** Do we track who's meeting the class size?

Go ahead, Mike.

**Mr. Walter:** We do interact with the school boards on that information. Most would be below. In the grades 4 to 12 level, particularly in high school, most class sizes would be below. Where the challenge has been, as the minister alluded to, because of the growth coming into the system, is at the K to 3 level, where some are still struggling to get below.

**Mr. McAllister:** Right. Where it's most important. So most of them aren't meeting it.

I'm not in any way trying to set you up for question (b), but I did have a question (b). I wanted to know whether you knew this number or not, Minister, and I'm convinced that you don't, but I think some of you do. Members of the group that you just negotiated a new deal with, if everybody signs it, tell me that 12 of 62 boards are meeting the initiative, and that's, you know, clearly not great. Do you think \$17 million is going to fix that?

**Mr. J. Johnson:** Well, I think the actual number that I said was 14 and a half, wasn't it?

**Mr. McAllister:** You were very close.

**Mr. J. Johnson:** I think the good news is that there is a significant amount of dollars that has been put into that over the last 10 years since I think '93, when that came into play. Was it '93? Sorry; 2002. Close to a billion dollars.

**Mr. McAllister:** You're getting old.

**Mr. J. Johnson:** Yeah. Look at my hairline.

Yeah. There has been a significant number of dollars put in that, and there have been improvements made, whether every classroom in every school is at the thresholds we like them at. Like I said, I think one of the more important things is certainly to keep an eye on class sizes but to make sure we're investing in the complexity of that class. It's not quite as simple as just making sure we have . . .

**Mr. McAllister:** Sure. I agree. There are challenges, and that's the point. There are challenges when not as much money is going there to meet class sizes. You've added a little bit more money to that initiative, but many others don't have as much, so it's hard to break it down, particularly with the young kids, so that they have the optimum numbers, whatever those numbers you've come up with are. That's the point that I'm raising on this initiative. I'm hearing it everywhere I go.

I'm running out of time here rapidly. I want to ask you: in your Education business plan, priority 3.1, it says, "Implement an updated Education Sector Workforce Planning Framework for Action." What does that mean?

**Mr. J. Johnson:** Let me show you. It's really a strategy to make sure that . . .

**Mr. McAllister:** As you dig it up, I'll just repeat it. "Implement an updated Education Sector Workforce Planning Framework for Action."

**Mr. J. Johnson:** I think I've got a copy of it here. There you go. You know what, hon. member? I'll pass this down to you.

**Mr. McAllister:** Please do.

**Mr. J. Johnson:** It's quite a large document, so I don't think you want me to take up all of your time reading it to you. The nitty-gritty is that it's work we do with Human Services and industry to make sure that education is relevant so that kids coming out of the education system have the skills that they need for the workforce that is required in our economy. It's about relevant education and working with industry.

**Mr. McAllister:** All right. If it's a business plan priority it might make sense to make it a little more understandable, digestible. I don't know anybody that talks like that. [Mr. McAllister's speaking time expired] Well, that's perfect timing.

May I say, Mr. Chair, thank you to the minister for that hour. I always feel, whether I like the answer or not, that you try and give me an answer even among some of the things that you make sure you add. Thank you for that hour. I've got a lot more, but I know somebody else wants your time.

Mr. Chair, thank you.

**The Chair:** Great. Thank you. You're right. That concludes that hour.

Earlier on in that exchange we did have at least a couple of members join us just after the introductions, so I want to welcome Mr. Young, Mr. Fraser, Ms Cusanelli. Anybody else come in after? Mrs. Jablonski, Mrs. Towle, and Ms Jansen. Great. Okay. Welcome, all.

We'll now move on to the next 20 minutes, for the third party. Mr. Hehr, that's going to be you, I would assume. Did you want to go your 10 and 10, or did you want to go back and forth?

**Mr. Hehr:** Yeah. Sure. We're cool. We'll go 10 and 10.

**The Chair:** You'd rather go the 10 and 10 rather than back-and-forth?

**Mr. Hehr:** Oh, no. Back and forth. Yeah. Sorry about that.

**The Chair:** Okay. All right. Just to clarify.

**Mr. Hehr:** Well, thank you. That was an enjoyable hour. I always get a kick out of watching the Wildrose try to advocate for more funding, all the while not recognizing that there is a budget, and that if you're not willing to change the fiscal structure and, in fact, shrink it – ah, well, all these questions are redundant. Nevertheless, I was giggling about that. It's nice to be amused from time to time, and that sure did it.

In any event, Mr. Minister, I appreciate some of the answers. We might go over some ground here that was already covered; nevertheless, if you could bear with me, that would be great. I'm just wondering: you've only been in the position for a year, but were you aware that your ministry has been studying how to implement full-day kindergarten for 15 years?

**Mr. J. Johnson:** The short answer is no. I think what's most important is what we're doing right now. You probably know that Dave Hancock, our Minister of Human Services, is leading our review of early childhood development because the Premier has

got a real strong mandate for us to develop a comprehensive early childhood development strategy. That's three ministries working together, and full-day K is part of that.

**Mr. Hehr:** Well, if you didn't know it, you should have known it. You've been studying it for at least 15 years. You've been government for 42. A lot of your bureaucracy should be the same. You guys should have this down cold, how to implement it. I don't find that an excuse whatsoever.

4:50

Anyway, I'm glad I informed you of that. You can go back in your ministry's profile and look at the various ministers that have proclaimed to be studying this, and you'll see that I'm not telling you a tall tale here this afternoon. In any event, needless to say, we're not seeing full-day kindergarten rolled out this year. Will we see it any time before the next election?

**Mr. J. Johnson:** I believe so. I can't give you any certainty on that, but I believe we will see it before the next election and when we have a better understanding of exact costs and how we phase this in. You know, I would hope to be in a position to present this to Treasury Board and the group for next year's budget potentially.

**Mr. Hehr:** Okay. So you well recognize that the problem then is a money one. It's a money problem. Is that fair?

**Mr. J. Johnson:** Well, there are a couple of problems. Money is one of them, but one of them is the space. One of them is the infrastructure and the communities where we don't even have enough space for the kids that are in grades 1 to 12. We've got the infrastructure issue. We've got the capacity issue on the teaching, instruction side and then, of course, the overall funding, yeah.

**Mr. Hehr:** Okay. Then let's go to – you say space is a problem. Okay. I understand that. Former minister Lukaszuk said that we would need 400 schools in the next 10 years. Has your ministry been able to assess whether, in fact, that number is true or what, in your view, a realistic number of what that call is for the next 10 years from today going forward 10 years? We're trying to get ahead of this so we don't say in 10 years that we didn't see this coming.

**Mr. J. Johnson:** Yeah. Well, you know, when we put figures like that out, 400 schools in X number of years, we're really talking about the equivalent of so many desks – right? – so many spaces as opposed to a physical building. Schools have different sizes, and it's a different capacity in different communities. We can collaborate and use other infrastructure, too, maybe some of it for full-day K.

I don't have a number for you of how many schools we need over the next 10 years. We certainly believe there's going to be about 100,000-plus new, additional students in the system within the next 10 years, so that's roughly equivalent to entire size of the Calgary board of education. Those kids are going to be in different areas of the province, and different areas of the province have different capacity issues.

**Mr. Hehr:** How many schools does the Calgary board of education have? Can someone give me that?

**Mr. J. Johnson:** You'll have to ask the Calgary board of education. Our guys might have an idea. 250? Over 200 anyway.

But you know what? You know, the schools are one thing, but then the modular program that we've got going, too, is very



important. Within this budget we had the capacity to deliver originally, we were thinking, about 45 modulars, which is what we've traditionally delivered each year in the last few years. Obviously, that's not enough. We had requests this year for about 400 modulars and about another 100 moves. We've come up with a new model this year that we want to try out in terms of delivering modulars and partnering with school boards, where they fund part of the set-up. By doing that, we believe we're going to get about 100 modulars out the door and 24 moves instead of the 45 that we would have.

**Mr. Hehr:** I think I might remember that number. Given that we have 250 schools in the Calgary public system, I might just say that that's a fair estimate of how many we need in Alberta over the next 10 years. I'm going to try and remember that you said that, so we can't say 10 years from now that we didn't know that this was going to happen. My sense is that we've been behind the curve on schools for a while here, going back to the 90s. We're not caught up. We're going to have a robust economy for the next little while, so it would behoove us to get moving on this.

Now, you indicated that you've not going to have the 50 brand-new schools promised built by the next election. Is that fair?

**Mr. J. Johnson:** Not all of them. I expect we'll have some done, some open, but like I said, they don't all kind of open on the same day, right? We have 50 new, 70 modernizations. Those will come on different timelines.

**Mr. Hehr:** So you'll have the signs up by the next election?

**Mr. J. Johnson:** Oh, we'll have all the signs up, for sure. Yes. No question. But we'll have some of them open as well.

**Mr. Hehr:** I hear you. Can you tell me how many will be open?

**Mr. J. Johnson:** I can tell you that as soon as we finalize and announce our capital plan, which I hope we can do by the end of April.

**Mr. Hehr:** That will be after the budgeting process has gone through and figuring out whatever it is we're going in debt this year and what we're going to put into the capital plan on that.

**Mr. J. Johnson:** Well, we've got X number of dollars in each year, which is cash flow towards the capital, but depending on how many P3s we do, depending on the mix of modulars, grants direct to school boards, design/build, design/bid/builds, all those procurement methods of which project falls into which bucket, it impacts how many we can get done and how quickly. It's a little bit of a jigsaw puzzle that we're working through right now that we have the theoretical cash flows because modulars have to fit into that cash flow as well.

**Mr. Hehr:** Okay.

Do you expect that you'll be continuing – my understanding is that you've done most of the schools as P3s the last five years. Is that fair?

**Mr. J. Johnson:** Not most, but certainly a good chunk, yeah.

**Mr. Hehr:** My understanding from the discussion with the minister of treasury last night was that your government was considering moving away from that model. Is that not the case in Education?

**Mr. J. Johnson:** Moving away from P3s?

**Mr. Hehr:** Yeah.

**Mr. J. Johnson:** I think that, you know, we've got a mindset – and I don't want to speak for the Minister of Finance or the Minister of Infrastructure – that we'll look at any innovative procurement method for schools that's going to give the taxpayer the most value and is going to be able to get the schools built quicker. If in certain communities or certain situations the P3s don't make sense, and it's more financially viable to take on debt for that school or to do a grant to a school board to build it or design/build or design/bid/build, all those things are on the table. I wouldn't say that we're married to one or the other. We want to look for the best solution.

**Mr. Hehr:** Now, moving back – I'm jumping around a bit here; I apologize – to the conundrum of no full-day kindergarten, I guess, in our public school system. Across the board, across the province we have seen a rise in accredited private school support for kindergarten and junior kindergarten. Is that correct?

**Mr. J. Johnson:** For junior kindergarten, yeah, the early childhood development, but not a rise in funding for kindergarten, not for full-day K.

**Mr. Hehr:** Okay. But you guys still fund private schools for children who are in kindergarten, right?

**Mr. J. Johnson:** Yeah. Pre-K and kindergarten in the early childhood services.

**Mr. Hehr:** And that's done on the per-pupil grant.

**Mr. J. Johnson:** Right. Yeah.

**Mr. Hehr:** Okay. So what amount will that be for kindergarten?

**Mr. J. Johnson:** The grant amount isn't changing. Whatever it was last year is the same amount. Mike will give us the exact number. The increase that you're seeing to the private is strictly driven by enrolment. We fund it per kid. If they get more kids in their program, they're going to get more money.

**Mr. Hehr:** But I'm saying specifically that the kindergarten and junior kindergarten programs are not available to many Albertans because it's not provided by this government. If the hon. Member for Chestermere-Rocky View is paying attention, he can sort of learn why private schools and public schools are different and why they should be treated differently.

I come from a school of thought that believes in equality of opportunity. Whether you're from a rich family or a poor family, you're going to get an equal start in life. You're going to get an opportunity to climb the ladder and build not on the basis of whether you're rich or you're poor. It's a fundamental, core belief that I have.

What we've seen, because this government doesn't fund kindergarten or have junior kindergarten out there, is that the privates go out there. Let me point out an example to you. There's a private school in Edmonton. I'll table the school name tomorrow for you so you can make sure that, you know, I'm not blowing smoke. They charge \$9,000 for the privilege of a student to go their junior kindergarten program and their kindergarten program. You're funding this program and not funding a full-day kindergarten program. How is this accessible for the average Joe and Jane Albertan?

**Mr. McAllister:** Do you want me to take this one?

**Mr. J. Johnson:** Yeah. Maybe I could step back and watch you two go at it.

You asked a question previously, and it's \$4,012 per student. Back to the school fees, they were \$85 million, by the way, hon. Member for Chestermere-Rocky View.

I actually don't remember what the question was.

5:00

**Mr. Hehr:** Do you understand the conundrum I've just highlighted, the \$9,000 for the junior kindergarten and the kindergarten program when your government will not fund full-day kindergarten or junior kindergarten programs elsewhere? You know, what is this? Really, where is the equality of opportunity in this? Where does the average Albertan factor into this?

**Mr. J. Johnson:** Well, you know, every Albertan, every parent has the opportunity to take their kids to a pre-K and a kindergarten. They might just not all be full-day K. We don't fund full-day K in the public system. We don't fund full-day K in the private system. We fund the half-day K. I'm not sure if you're asking me that we should tell parents that they can't pay extra to put their kids in incremental programs. We're agreed on the fact that we want to get to a point where we're funding full-day K right across the province. I think we're paralyzed by agreement on that.

**Mr. Hehr:** I guess what I'm saying is that until such time as you fund junior kindergarten programs and full-day kindergarten programs, you don't then fund or subsidize people with the ability to pay for these programs when you're not offering them in the public system.

**Mr. J. Johnson:** Well, we do fund those kids that go to pre-K through the PUF funding. That's about \$121 million a year.

**Mr. Hehr:** Okay. Do all jurisdictions have pre-K?

**Mr. J. Johnson:** Not every community has access to pre-K, no, because not every community in Alberta is the same. I live in a small rural community, and as a minister I can't go and force that community to have all those services because we don't have the kids. We don't have the economies of scale to deliver it.

**Mr. Hehr:** Well, then, let's separate it out. What about, say, a private school that's in a jurisdiction that doesn't have this PUF funding you're talking about?

**Mr. J. Johnson:** Every jurisdiction has access to the PUF funding.

**Mr. Hehr:** Every jurisdiction?

**Mr. J. Johnson:** Those are kids that are identified early, you know, at two and a half, that need extra supports. Some of those may not come necessarily through a pre-K program, but they're coming through public schools and through other . . .

**Mr. Hehr:** Kids who are identified as having a difficulty or something like that. What I'm talking about is the average kid with his parents who are making 40 grand and want a junior kindergarten program. They see one across the street. It's \$9,000. They can't go to that, and you don't have any of these programs available. Do you understand sort of the need to get kindergarten and junior kindergarten up and running? Maybe you should consider not propping up the wealthy and their choice while at the same time not fully funding kindergarten and junior kindergarten in these areas.

**Mr. J. Johnson:** Well, I don't know if you're asking me to fund pre-K right across the province now.

**Mr. Hehr:** Sure.

**Mr. J. Johnson:** This is a great negotiation. We've moved from full-day K, and now I've got to fund pre-K all across the province.

**Mr. Hehr:** There we go. Exactly.

**Mr. J. Johnson:** We don't have the physical capacity to deliver that, and a lot of communities don't have the capacity to deliver pre-K.

**Mr. Hehr:** Well, then, if the communities don't have the capacity, if your ministry doesn't have the capacity to fund it, why are you propping up these schools that are charging an exorbitant amount of fees for people to go to?

**Mr. J. Johnson:** These are schools that deliver programs to the kids that need that extra developmental support just like the PUF funding.

**Mr. Hehr:** Then maybe I'm mistaken. I'll look more into it. Needless to say, I think that it behooves us to move on full-day kindergarten on the basis of equality of opportunity. I understand the minister's sentiments on that. We'll move on.

Let's go to the infrastructure deficit or the school maintenance.

**Mr. J. Johnson:** IMR.

**Mr. Hehr:** Yeah. What's that number at, and where are we going?

**Mr. J. Johnson:** You're talking about the deferred maintenance, the global number. You know, we have people that hypothesize about that. Probably every school board would have a number for you, but we don't. I don't necessarily have a global number for you. I don't have a number on the deferred maintenance.

Certainly, I believe that the maintenance dollars that we're putting in, the IMR, the infrastructure maintenance renewal, at \$77 million is not enough. School boards have argued that for a long time. It was at \$96 million, so that's one of the envelopes that actually got cut, but it will go back to \$100 million next year and \$100 million the year after. It was one of the ones we were actually looking at increasing funding for for school boards before we had the challenges with the budget, so I see this as a short-term constraint that we would like to correct in the long term. The investments in the 70 modernizations, the new buildings and the modulars, are all really towards the infrastructure deficit, too.

I think some of that is overblown because we've got a large number of old schools that are at very, very low capacity. Those would be part of a deferred maintenance dollar amount, but you could argue that maybe some of those schools shouldn't even be in our inventory anymore.

**Mr. Hehr:** Well, if memory serves, I thought the Edmonton and Calgary boards were at \$1.1 billion at least a year ago. How much money do you have sort of earmarked in your 70-school retrofits or rebuilds or maintenance update? Was that part of the promise? Seventy schools to go in and modernize and redo: that's essentially taking care of the deferred maintenance backlog. Is that fair?

**Mr. J. Johnson:** That would be a big piece of it, yeah. In some situations, especially in rural Alberta, if we do a modernization, we might be closing two or three other schools to do that, so those

three schools would be in our inventory, and there would be massive deferred maintenance on those three schools. In the rural communities if we consolidate those three schools but we need to modernize one to be able to do that so they can accommodate, for example, elementary kids versus just being a 9 to 12 school, that modernization may theoretically close two or three others schools, and they come off the deferred maintenance number.

**Mr. Hehr:** Okay. Let me ask about the Alberta initiative for school improvement program. Now, many people in the system credited this with, I guess, some innovative ideas. I think the ministry at one time championed it quite loudly and the like. I know educators from across the globe saw it as a value-adding thing that may have some implication for how well Alberta has generally done over the last number of years. Can you comment on that?

**Mr. J. Johnson:** AISI has been a great initiative. You know, we've invested close to a billion dollars in this over the number of years that we've been running it. It's a three-year cycle for initiatives, and we're in year 2, so there's theoretically one year left. It has done really good work. It's been about innovation on the ground and developing new initiatives. But it's one of those things that when we had to look at places that we had a lot of money invested that wasn't going into instruction in the classroom, this was one of them. It was \$46 million that was being invested in AISI, and those weren't classroom teachers. Right now we need to invest in classroom teachers.

**The Chair:** All right. Well, thank you very much. That concludes the 20 minutes for the third party.

We'll move on to the fourth party, but we're going to take a five-minute break first. All right? So if we can have everybody back in here by, say, 5:15 p.m. at the latest, please.

[The committee adjourned from 5:08 p.m. to 5:17 p.m.]

**The Chair:** All right. I know that was a very short break, but thanks, everybody, for returning so promptly.

We'll now go on to the 20 minutes for the fourth party. Mr. Eggen, if you're ready to go, I'm assuming you're going to do the next 20 minutes. Do you want to go 10 and 10, or do you want to just go back and forth with the minister?

**Mr. Eggen:** Back and forth is fine.

**The Chair:** Very good. Whenever you're ready.

**Mr. Eggen:** Well, thank you, Mr. Chair. Thank you so much to the minister and his staff here this afternoon. I know that this isn't the best of circumstances in which to do this, but we'll try to make it as amicable as possible. As well, I apologize if I'm jumping around a little bit. I have kind of this position of cleanup – right? – where I'm trying not to repeat what some of my colleagues have been asking about as well.

With those things in mind, actually, maybe I could go to the AISI funding because Mr. Hehr was talking about that, and it was a valuable initiative. I think we all heard lots of good things about it. You know, I kind of approximate it to when I was a teacher. The class-size initiative, like you said, from 2002, made a demonstrable difference to the classroom teaching. Then it sort of petered off over time, apparently, but it was good. So I look at AISI in a similar way. I'm just curious to know why you chose to eliminate it effective April 1 rather than allow it to finish the

school year. It makes it hard for schools to make that accommodation. There are FTE equivalents that were there, and the programs that they developed are cut off before the end of the school year, too.

**Mr. J. Johnson:** It's a good question. Really, those decisions were driven purely by budget. We had to make changes April 1 to meet the targets we were given, and that's why the changes were made so quickly in my ministry, my department, and why we needed to find some other dollars.

The AISI was one of those. One of the factors that we considered, or that I considered, I guess – I take responsibility for this. AISI is a good project. It's been a great project. There's a lot of value in it. We're disappointed we can't continue it right now in its current form, but we're going to look at this and look at the research innovation side of the business.

There are significant reserves in school boards around the province, so one thinking was that if school boards have AISI projects that they really believe in, that they think have a lot of value, that they're invested in, and that they want to continue on for the balance of this school year or even next year to finish the entire cycle, then they certainly have that choice. I mean, they can take those dollars out of the base instructional grants. They can take it out of the reserves. They have that latitude decision-wise, and many of them have the capacity financially to do it, too.

**Mr. Eggen:** Thank you. Sure.

Just perhaps moving laterally in regard to reserves, I know we've had this discussion before, and it's part of how school boards around the province are going to scramble to meet the needs of students with this current budget cut. We know that there might be more reserves in different places other than metro Edmonton and metro Calgary, but I know, speaking to each of those four boards individually, that they've made a point, as they should, of spending the public money to educate the students in each fiscal year for which that money was allotted. They're also teaching, by the way, between 46 and 48 per cent of all the students in the province between those four metro boards. Had you ever considered looking at or might consider a differential way in which some of these cuts might have been rolled out for the four large metro boards?

**Mr. J. Johnson:** You know, these are not easy decisions to make. We tried to weight, you know, that equity and that fairness through everything. Every time we looked at trimming back on an envelope or eliminating an envelope like AISI or the fuel contingency funding, we had the guys looking at modelling how it was going to impact every board in the province with the projections of increased or decreased enrolment. That's why at the end of the day we put some strategies in place to mitigate some boards that were going to be hit by 5 per cent and make sure that that didn't happen, because we thought that was too dramatic in one shot. We tried to be as fair as we could, and obviously some boards are going to get hit a little bit harder than others. But it wasn't targeted. That's for sure.

**Mr. Eggen:** No. I'm just trying to read the future. I mean, EPSB's choice this afternoon to reject the teachers' contract I think is probably a reflection of how the other three metro boards are feeling. So, you know, we just have to make sure that we're not penalizing those metro boards for (a) not carrying surpluses and (b) already having their administrative costs quite low as a portion

of their total budget. They've kind of met the standard that you, I think, laid out already, if you know what I mean. So that's fine.

My next question is in regard to the funding cycle. This is a big problem, and I recognize that you are making a lot of these decisions based on having to save money and make cuts, right? I'll talk more about that later. The three-year cycle of funding that was introduced last year was very beneficial for school boards to make plans for growth and to make changes that they need. I'm just wondering what aspects of the three-year funding cycle have been preserved so that, you know, perhaps if we come into some money, we can make adjustments to our revenue streams and go back reasonably smoothly to three- to five-year predictable funding.

**Mr. J. Johnson:** You know, that's a very good question. I think one of the biggest disappointments for us – and I should say that there were a lot of changes made in this budget that I think are strategic. They were driven by budget cuts. Maybe we didn't have the guts to do some of these things earlier on because we were running surpluses. But there are some positive changes in terms of a direction that we need to head, I think, in education and potentially as a province. The one big disappointment for us was to have to back off on the predictable funding for school boards. That's not only disappointing to parents and school boards but really disappointing to the Premier and myself and my colleagues. We want to get back to that place and put something in place where we can give predictable certainty to those school boards on the three-year budget cycle.

5:25

One of the things we've done is that we've tried to maintain and keep that 2 per cent increase commitment to a couple of the areas that school boards and teachers told us were the most important, and those are the inclusion and class sizes.

The other thing that we've done is something that school boards can't do locally. You mentioned it with respect to Edmonton public and their comments that they're suggesting the ASBA should turn down the proposal with the ATA. Only the province can guarantee some certainty and some funding for a long-term provincial deal with teachers. School boards can't do that. They don't have the ability to do that anymore because they don't have the ability to requisition taxes and fund those deals.

We have negotiated with the ATA a four-year deal that will cost school boards nothing. It's three zeros. It's pretty hard to argue that's going to add cost, especially when in this school year school boards are actually getting a 1 per cent increase to the base instructional grant and a 2 per cent increase to everything else. We've just negotiated a zero on the teachers. It's pretty difficult to argue that that's hard to swallow in terms of budgeting.

The other commitment that we've given them is that we will fund the costs in year 4. The 2 per cent increase and the 1 per cent bonus in year 4 will be funded by the province. That assurance and that predictably is a big part of their budget. That's over 50 per cent of all their budget right there.

So I think there are other ways that we can give them predictability and certainty other than just a strict: you're going to get a certain percentage increase on your base instruction. There's more than one way to the skin the cat, and we're trying.

**Mr. Eggen:** Yeah. Thank you for that.

We were discussing this perhaps a little more emphatically in the House this afternoon. Just as an aside, my logic and reasoning around the class size initiative funding, which, again, I know from personal experience was a great initiative, is that if it's over-

whelmed or subsumed by a larger financial difficulty coming from the cuts, then school boards and individual schools – we do constant triage and look for the most immediate problem that has to be dealt with, so class size initiative in a time of austerity can get lost quite easily. Just a point that I wanted to make.

I'm curious to know about results-based budgeting and the challenge panels. I just want to know how your department has been participating in this results-based budgeting process and which challenge panels the department has been involved in as part of the results-based budgeting process. Was the Alberta initiative for school improvement eliminated as a result of that procedure or that process? I'm just curious to know.

**Mr. J. Johnson:** No, it wasn't, but in the future it very well may be. Our ministry is quite involved right now in a results-based budgeting exercise on early childhood development. Really, what's happening is that the government is taking a step back and looking at initiatives or programs as a program or as an initiative as opposed to as a ministry. There are many elements of what we do as government in terms of programs that deliver for Albertans that span many ministries. To look at it in a siloed approach: you're not actually going to be able to take a really wholesome look at this and evaluate whether you're getting the results you need and the outcomes you want and if you're spending the dollars effectively. The concept is to take a step back, put the ministries that have a stake in that together, and have them make sure that they're validating what the outcomes or results we expect out of that particular program are.

Early childhood development is a good example. That's being led by Dave Hancock. Health, Human Services – children's services is inside that – and Education are working together to look at our early childhood development and whether we've got the outcomes and results we want. We're bringing in a challenge panel of outside experts – industry folks, financial gurus – to challenge our process and to challenge what we get as an outcome of this review. Hopefully, it's going to lead to some very positive changes, not necessarily decreased dollars but increased productivity and results.

**Mr. Eggen:** Okay. Thank you.

I have a few other ones here. The plant operations and maintenance, transportation, and the education system support: were they brought before a challenge panel, which has changed their funding?

**Mr. J. Johnson:** No, nothing in our budget was changed because of results-based budgeting or those challenge panels. We're not that far down the road yet with those.

**Mr. Eggen:** Okay. That's awesome. Thank you.

In regard to full-day kindergarten – we've talked a lot about it here – just one more point. Again, looking for residual planning that might still be around the assessment of the feasibility of full-day kindergarten, I understand that it's sort of a budget cut that we have not the beginning of a full-day kindergarten program here this year. You hoped that with the change in finances we could perhaps initiate or start the process next year. I just was curious to know what playbook you're dealing from here. Like, did you do an assessment, had it teed up to a certain level, and then pulled off the tee because of the austerity budget? You know, if you could show us what you're planning to do, we could help you to make it happen, right?

**Mr. J. Johnson:** You bet. We actually had dollars in the budget to start phasing in or look at implementing or planning full-day K.

Because we're not as far along down the path as we had hoped to be at this point in time and because of the financial constraints, those dollars got pulled out. My hope as a minister is that through this early childhood development strategy and the work that my ministry is doing, we would be able to have some proposals to caucus and cabinet by the end of this fiscal year so that potentially we could map out what this might look like, how it rolls out and in what phases, and how much it's going to cost.

**Mr. Eggen:** Yeah. That would be great.

**Mr. J. Johnson:** That's something we certainly want to get done.

**Mr. Eggen:** Yeah. I mean, you must hear it all the time, too. I can think of six different boards that I talked to, and they are willing to move things around and get it going, right? Yes, maybe they have space issues, but they recognize the value of it, and many of them offer it anyway by shifting funds around.

That's great. I look forward to, you know, encouraging that to come to fruition here by the next school year. It'd be great.

The issue around portables, modulars, and spaces. I have a global interest in this and then a specific one, too. We talked about it before. It seems as though the way by which we can procure modulars is a problem, right? We talked about it. We had, I think, 45 available for requests of 400. You know, school boards had some version of the capacity to construct these, will do constructions, for a long time. Edmonton Catholic, Edmonton public: I know where their yards are, and they can build things. I'm just hoping that you can elaborate a bit more on how we're going to meet that need of 400 modulars sometime in the next – well, when can we meet that need? I can think of a couple of schools that are dying for them, right?

**Mr. J. Johnson:** This is going to be a challenge for us with the cash flow that we have. We had close to 400 requests for modulars, but some might argue that that doesn't necessarily mean that we need 400 modulars. We certainly have a requirement for quite a few, and we've got space issues. We've got a whole fleet of modulars that are aging and need to be replaced. We were able to tackle this a little creatively this year to roll out about twice as many as we normally would with the dollars we had. We're exploring some creative options for next year to be able to maybe look at some alternative financing that might see a large number of modulars get out in the next couple of years, more than we kind of have budgeted dollars for if we were going to do traditional cash purchases. It's certainly a pressure we're looking at.

Boards have the ability to purchase modulars as well. Some of them that have the capital reserves have gone to those lengths, and certainly we welcome that. It's one of those areas of pressure that we're going to continue to wrestle with.

**Mr. Eggen:** Yeah. I mean, it undermines the whole idea of a school like an accordion, that can go in and go out and reach, really, the catchment area that these modern schools are meant to cover, quite frankly. Would you consider, as part of the way by which to resolve this issue, you know, relooking at maybe building more schools in a given area to catch the needs of that area given that we don't have the modulars to expand the schools that are in that area?

5:35

**Mr. J. Johnson:** Well, I mean, the advantage of the modulars is the flexibility and the cost. I guess you could argue that if we're going to roll out 120 projects plus the ones that we have on the go, that are substantively going to open up not this coming school

year but the following school year – there are about 10,000 extra spaces just with the ones we have under way right now that are going to open up, and then if we're announcing 120 more projects, that's quite a capacity.

One of the challenges that we have with modulars is tacking them onto buildings that are already full, too. The colleague next to you certainly feels that pain with Johnny Bright and some of those schools out there.

**Mr. Eggen:** Oh, I know. Yeah. Absolutely.

**Mr. J. Johnson:** You've got a core of a school, and you don't have a school stretcher that can make the library bigger and the bathrooms bigger and the common area bigger and the gym bigger. So adding on modulars doesn't help you because they're already maxed out.

**Mr. Eggen:** Sure. I understand that. Perhaps we have to look at taking some of that new-school funding or focus and redouble the effort onto making the schools that we've already built function better, too. I have one school for sure, Elizabeth Finch school in northwest Edmonton, that is on the verge of the similar kind of pressure that you might have at Johnny Bright, where, you know, you've gone beyond the modulars and beyond the portables after that, and there's still not enough space.

**Mr. J. Johnson:** Is that a pitch for a modular?

**Mr. Eggen:** No. It's just a shining example, right?

These choices should be made based on need. I mean, obviously, we're by a factor of ten short of modulars in the province. I think, you know, there has to be a systemic change in how we deal with that.

I'm going to jump around again – sorry – to special-needs education. I'm just curious to know how the government has changed the funding for special-needs education based on coding students and if you can maybe give me some explanation as to how and why this new funding model has differed from the old model. Have we . . . Oh, we've run out of time. Apologies. We can talk about that later. You know where I am, and I know where you are.

**The Chair:** We will continue, then. Thank you.

For the next 20 minutes private members of the government caucus and the minister may speak. We'll start with Ms DeLong.

**Ms DeLong:** Thank you very much, Chair. I'm going to be asking mostly about operational funding, but of course I always like to get my digs in, too. My constituents, you know, have open to them the capability of going to a public school, a Catholic school, a charter school, a private school, or home-schooling. I think that that choice has been an enormous advantage to our education system.

Our public system has, I believe, really stepped up. Their results are first-class, absolutely first-class, you know, compared to around the world. One of the reasons that I think that they're so successful is because of the competition. Our operational funding is set up so that the more students they have, the more funding they get. That part of the operational funding, I think, is working well. Maybe that is the only part that needs to work well.

My constituents also, at the same time, are concerned about the administration costs of the public system. You know, at a time when our health care system, again, has the same questions around it as to how much administration costs there are, our health care is cutting back on administration. Yet there was a recent announcement for

Calgary public, which is the public system for my constituency. They've recently been adding more administration. I just wonder: out of all of the other funding that we have, can we put pressure on them to reduce their administration, or should we even put pressure on them to reduce their administration since they are producing such fantastic results for our kids? Should we be micromanaging? I don't know. Is there any way that you have to put pressure on them to reduce administration, and do you think that we should?

**Mr. J. Johnson:** I think that's a very good question. One of the things we should keep in mind is that in Alberta we have a benchmark or a threshold for school boards where, depending on their size and their enrolment, they're not allowed to spend more than a certain amount of their budget on administration. It's not in legislation, and it's not in regulation, but it's in the funding manual. It's a condition of funding, so it's just as strong. That ranges from 4 to 6 per cent, depending on the size of the board. Obviously, there are economies of scale that come with larger organizations. That is quite small when you compare it to other jurisdictions around North America and is one of the tightest restrictions on school boards in terms of administration and getting the dollars into the classroom.

I would, I guess, first like to say that I think boards generally do an excellent job of trying to get every resource they can to the kids and to support the kids. Those boards have to make those decisions locally, and they're responsible to their electorate. They've certainly got a lot of groups that keep a very close eye on them. We do monitor that to the extent that they're not allowed to go over that 4 to 6 per cent on administration.

One thing we've done here with this budget as we were looking for ways to save money or find dollars and, I guess, create a statement and incent behaviour is that we first took the step to reduce our department by 15 per cent, like I said before, 18 and a half million dollars, 86 people, which is quite painful. What we also did is that we reduced every school board's funding by an amount equivalent to 10 per cent of their allowable administration budget. We're not saying to a school board: cut 10 per cent of your administration budget. But we are saying: "You know what? You should be looking at your administration and endeavouring to make it as lean as possible, and to make sure that everyone is clear on that, one of the ways we're going to do that is that we're going to reduce your budget by an amount equivalent to 10 per cent of what, theoretically, you're allowed to spend on administration."

There are many that have been challenging us, especially through Inspiring Ed when we did the tour around the province for two years. They talked about the value of school boards and the great work that they do and how you want that local engagement, you want that collaboration locally and that educational experience delivered for kids, that might be relevant and unique and different in every community, in every school, and in every classroom. Schools boards are incredibly important to manage that and deliver that. But they questioned whether we need 62 school boards when we're looking at the corporate side of the business. To be frank, they would question us on that committee and say: do we really need 62 different payroll systems or 62 different financial systems or 62 different busing systems?

I think that the statement that we made with the budget – and we've been telling boards this since I came into the office – is that we really would like to see them exhaust all possible partnerships. That even means with competing school boards on transportation, collaborating and sharing IT services in that infrastructure, payroll, financial systems, and maybe with the learning resource centre capacity that the metro boards have, they can be helping out the rural boards, you know, outsourcing that. I think there are all

kinds of opportunities to trim and make the corporate side of the business a little bit more efficient, and boards are looking at that. They truly are looking at that. I think a lot of them are doing a good job of that. But our statement in this budget really is that, you know, we're in a painful budget, and you need to look further.

5:45

**Ms DeLong:** Could you explain in further detail factors that affect the operational funding aside from the student population?

**Mr. J. Johnson:** There are a number of them, I guess. It's important to know that we have about 20 different envelopes of funding that we roll out to school boards, and those are based on different things. There's small school by necessity funding for schools in remote locations – that's based on the distance that you might be away from the next school – because we recognize that to run small, remote schools costs a little bit more money per capita. There's funding that's tied to ESL, English-language learners, to new Albertans or to the immigrant community. There's funding that's tied to the FNMI community and those demographics. There's funding that's tied to investing in small class size and inclusion, so the special needs, and the transportation funding, tied to density and distance and how many litres of fuel you may have to use and those types of things. There are a number of them.

It's not all strictly tied to a per capita amount, but predominantly it is. Even with some of these other metrics, you know, there's a per capita component. I'm not sure how to elaborate further on that, but when we looked at the envelopes that we didn't want to touch and the envelopes that we may want to change, the lens we put on it was: what's going to impact the classroom and what isn't, and what's going to be fair and equitable as best we can?

**Ms DeLong:** Okay. For things like the small classroom, that funding, do you have a way of making sure that the funding that is specifically for small classrooms results in smaller classrooms?

**Mr. J. Johnson:** Schools typically report on their results on the class sizes, but the class sizes are a guide. They're not a cap. They're division-wide and not necessarily just per class or per school. We do try to keep an eye on those things. For the most part, the envelopes of funding that roll through the school boards are really formulas intended to distribute the money as equitably as we can, as fairly as we can. Once it gets to that school board, they have a lot of latitude, and they need a lot of latitude to be able to make decisions on how that rolls out to any particular classroom or program or school. There are a few that have strings attached, but for the most part it's fairly flexible.

When we looked at and talked to school boards, when they realized the pressures we were under in the budget, school boards were adamant that they wanted us to preserve the basic instructional grant because there are no strings tied to the basic instructional grant. That gives school boards the most flexibility. They can use those dollars for whatever they see fit in any particular school to deliver the programming they need to deliver. That's why we cut other envelopes to make sure that the base instructional grant didn't decrease and that every new kid coming into the system next year is going to get the same base instructional grant that they did last year.

**Ms DeLong:** Again, with the operational funding is there a way that you can sort of, without adding too much administration, use some of that operational funding to push the school boards or our education system in a particular direction? Again, the best example is class size. Is there a way that that funding can be or is

it now in any way pushing the school boards to move in the direction that you want?

**Mr. J. Johnson:** No. Typically what we've done in the past and what I think we kind of believe in is that if we want to change a direction, we try and do that through policy changes and not necessarily through the funding. We try to give funding through to school boards that has as few strings attached as possible, and we've even decreased the number of envelopes of funding that we have to simplify it to a certain extent, not necessarily to decrease the amount of money that they get in a global sense but to simplify it. We do have a business plan that we put out, and school boards are required to provide a business plan that aligns with the direction and the priorities of government. For the most part, on the funding side of the business we have the conditions like the one I talked about, which is that you can only spend 4 to 6 per cent of your total revenue on administration, but we need to give boards latitude within that.

You talked about it with the private schools, and one of the big strengths of our system is the diversity. I think that in Alberta we've done a really good job of recognizing that every community is different, that every classroom is different because every kid is different and every teacher is different, and we need to provide those opportunities and those choices for those kids to realize their potential. They're not all going to fit in one model or in one box. To do that, you need flexibility on the ground. You have to give administrators and teachers and school boards flexibility on the ground to make decisions that their communities and their electors want them to make.

**Ms DeLong:** Moving on to one of my favourite topics, community schools, I tend to think that the public system doesn't yet realize what an advantage they've got there with community schools. Essentially, when you look at it from a marketing point of view, they're very much in the driver's seat already in terms of providing a community school or a special neighbourhood school if you wanted. It's essentially one of the specialties amongst all the others like an art school or a science school or a girls school or a boys school or whatever is the choice of the parents. But a neighbourhood school could also be one of the very strong choices that someone wants to be involved in.

I know that once you start talking about community schools, you're talking about an awful lot more than the strict education of the children. You're talking about the supports that a parent might have in bringing up children. You're talking about the strengths of a community. I wonder: what is it that you have done to actually move forward with community schools? I know that in private conversations that you and I have had, we've talked about how you would prefer to approve a school that is more than just a school, that actually is maybe also a community centre that is actively used by the community and is used to bring the community together. Could you comment on that a little bit further?

**Mr. J. Johnson:** Yeah. You bet. You know, when I came into this role, one of the things that the Premier was quite adamant about was that we plan schools to be hubs of the community and that as we go through our capital plans, that needs to be one of the lenses that we look at and approve schools based on. Has that school board exhausted all possible partnerships, and are we leveraging every investment the taxpayer has made in infrastructure and, in doing so, getting the best programs and services for the members of that community?

We have been talking to school boards about that, and we are having that discussion with school boards and asking them even to revisit their capital plans to make sure that they've exhausted those partnerships and pushing them in some sense. You know, in some areas we have, for example, a public and a Catholic that have built a school or are willing to build a school together, and in other areas there isn't that comfort level. So we're pushing some comfort levels on that.

The other thing that's happening is that within government we're looking at this more from a community capital-planning perspective than we are from a ministry capital-planning perspective. So as I'm looking at which communities we need to fund for schools, we're also cross-referencing that now with what postsecondary is looking at in terms of the funding they're going to do for postsecondary on the capital side, at what Health is doing for fam care clinics, at what Culture might be doing if there are any community recreation facilities, or even at some of the MSI things for Municipal Affairs. We want to cross-reference these things so that we can tie them together whenever we have the opportunity.

5:55

I think that when you look at not just a building and not just leveraging that tax dollar to get the most out of it but also at the wraparound programs and services you can deliver out of that, one of the great examples that I could point out would be the Olds school again. If you go into the Olds high school, it's built right on the Olds College campus, and it was built in partnership with the municipality. You walk in, and within that school are the gyms that the college uses. The community uses the field house, the fitness centres. It's all right in the high school.

The other thing that's right in the high school is the Alberta Works office, so the employment office for high school kids is right in the high school. Children's services has an office right in the high school, so kids can walk down that hallway and can tap into those resources right in the school. There's a clinic. There's a health facility right in that high school, and right beside it is the performing arts centre, that the community uses and the college uses. They don't have the CTS labs that many high schools have because they can walk across the field and go right into the Olds College welding lab and get instructed by the college professors that are teaching the kids welding at the college level.

That is not only going to change, I think, how we do capital planning but also change the programs that we're delivering. It's also going to tie into the dual crediting that we want to do as a province. For kids that are taking a course or learning a skill, if that skill can be applied or accredited in two different areas at once, we want to do that. What I'm saying is that if a kid in Olds goes to take his welding, why can't that credit be going towards his high school diploma at the same time it's going towards his accreditation at the college? Or doing something with industry and getting your industry certificate or ticket but at the same time having that skill and the content you're taking, the program you're taking have high school credits applied to it towards your high school diploma.

We've been running some high school dual crediting programs. We're going to roll out more dual crediting, so if you stay tuned for that, that's something we think quite highly of and we're going to expand.

**Ms DeLong:** I know one of the things that works really well in my constituency. I have a high-needs area where Bowcroft school is operating. Bowcroft provides a Families Matter program out of

there, which is a real advantage to the community to help support those young families. The teachers love it because . . .

**The Chair:** Okay. We're going to have to cut it off there, unfortunately.

We're going to go to the five-minute questions and five-minute answers or, if you'd like to mix them up, a total of 10. We'll continue with this tomorrow, so if we don't get to you today, then you should have an opportunity tomorrow.

We'll go to Mrs. Towle.

**Mrs. Towle:** Thank you, Mr. Chair. I'd like to go back and forth if that's okay. In the last minute or whatever I have left, if I could just read it into the record, and if you're able to answer or not, that's fine.

I notice that in the March 6, 2012, *Hansard* the previous Education minister noted that the \$107 million that was given to teachers actually went to hire 800 additional teachers. That is what he said that that \$107 million went to. I'm just wondering: did that \$107 million actually hire the 800 additional teachers?

To go on even further from that, I also noticed that the hon. member from the Liberals, Mr. Hehr, advised that there were 650 fewer teachers in 2012, so I'm wondering where we sit today. How many fewer teachers are we today? Even if they brought on 800 additional teachers and there were 650 fewer teachers in 2012 and then we're going through cuts this year, in 2013, I'd just like to know exactly where we are for teachers in the classroom for 2013-2014 and whether the \$107 million actually did go to hire 800 additional teachers.

**Mr. J. Johnson:** The \$107 million that was given out to school boards was given out with, I guess, the direction that it go to the classroom and that it go to support the instruction in the classroom, so theoretically that went to 623 teachers and 397 support staff. I'm not sure that we actually had school boards report that at the end of the year. We did? Okay. So that's a pretty specific number, which I'm actually quite surprised we've got because, I mean, that fluctuates through the year, too, right? I mean, you're talking about FTEs. You're talking about a person for a month or two months. These things all change.

The one about having fewer teachers in 2012 and 2011: you guys might be able to answer that, too, but I don't know those exact numbers. I wasn't minister in 2012, so I wasn't tracking those numbers. Obviously, we're concerned about what's going to happen next year with the reductions to some of the budgets, but when we're talking about teachers, we're talking about certificated teachers. There are good numbers of certificated teachers that are not in the classroom. They're working on the AISI programs or they're working in administration or they might be inclusive ed co-ordinators or special-needs co-ordinators for their school division or those things.

**Mrs. Towle:** How many certificated teachers right now are working in classrooms in Alberta? Do you know?

**Mr. J. Johnson:** In classrooms? I don't know. We have about 40,000 certificated teachers working in the province. Again, some of those are even part-time. What we would probably be looking for is an FTE number, I'm guessing, as opposed to a number of teachers.

**Mrs. Towle:** Okay. Fair enough.

Moving on to the maintenance of schools, we know that in 2012 there were reported deferred maintenance bills for many school boards. There was some money added to operations, but what are

the deferred maintenance bills right now for school boards going into 2013-2014?

**Mr. J. Johnson:** I don't have a global number on that. That's not necessarily something we track. I mean, there are some that surmise that it's in the \$2 billion to \$3 billion range, but school boards have more specific numbers locally. You know, I always think the deferred maintenance piece is a bit of a misnomer because, as I said before, we've got lots of schools that are operating under capacity and potentially shouldn't even be in our inventory. If they're counting towards the deferred maintenance, would you really fix it?

For example, we're in a building right now that has a huge deferred maintenance bill on it, but this thing won't be here in 10 years, right? We'll all be moved into another building. This building won't be here. There's probably \$10 million or \$20 million worth of deferred maintenance that the province will avoid, but it's on a bill somewhere.

**Mrs. Towle:** Going along with that, the previous Education minister in the *Hansard* of March 6, 2012, said that "what [he] will be doing as part of [the] plan is looking at the state of infrastructure overall in the province of Alberta relevant to schools and looking at where some of the schools can be rationalized." Has that taken place? Has the list of schools that could be rationalized actually happened? Is that public?

**Mr. J. Johnson:** That work is really done every year by the school boards as part of their capital plans. I think that, you know, that was precipitated by maybe an abundance of schools that were under capacity at the time. We still have some of those, so some of the boards were encouraged to have a second look, to have a closer look at what they're going to do with those schools that are under capacity. Some are operating at as low as 15 or 20 per cent capacity. I know we can argue with those formulas, whether they're right or not, but still they're quite low. That work is being done by school boards today on an ongoing basis.

**Mrs. Towle:** Okay. Thank you, Minister.

The next question that I have goes back to school fees. The hon. Member for Chestermere-Rocky View talked about what mandatory school fees are and if you knew what those numbers are, and you said they're approximately \$85 million. The previous Education minister mentioned in the March 6, 2012, *Alberta Hansard* on page 335 that there were maybe some inappropriate fees that were being charged and that he would "do [his] best to make sure that those inappropriate fees [were] removed by September 2012." I'm just wondering if you have a list of what those inappropriate fees were and if they were in fact removed by September 2012.

6:05

**Mr. J. Johnson:** No. You know, I don't have the ability to go back in time and know what he was thinking. The school fees have been a point of contention for many parents. As you'll recall, we passed the new Education Act, which sets some parameters around going out to develop regulations around school fees. One thing we're going to launch here right away is the consultation on the regulations for the Education Act. I think that'll be one of the most important pieces that come out of that in terms of what Albertans tell us regulations should look like for the fences, if you will, the expectations we would put around school fees for the school boards. I'm not sure what he was talking about a year or



two earlier, but I can tell you where we're going, and it is to set some clear expectations on what Albertans think is acceptable for school fees.

**Mrs. Towle:** Will you as minister be advising or assisting them with ensuring that they're not charging inappropriate fees if there are any? I understand we want to have local autonomy – I think that's very valuable – but I think we also want to make sure that school boards are not able to pass on fees that shouldn't be passed on to parents.

**Mr. J. Johnson:** Well, I think that's why we're going to have the discussion and put that in regulations. Right now it's fairly loose. We want that flexibility at the school board level, but Albertans have also been clear that they want some kind of fences and expectations set. That's what the regulations will do. Once we have it in regulation, absolutely we would be enforcing that then.

**Mrs. Towle:** The next question I want to go to is about class sizes. There's obviously been a lot of discussion about that the school boards make the majority of the decisions on how big the classes are but that you have guidelines. I understand for K to 3 the guideline is 17 students in the classroom, and right now you're averaging around 19. For grades 4 to 6 the guideline is 23, and I'm not sure where you're averaging there.

Where I really would like to go to is the rural areas, so as a parent in my own area. I have a 21-year-old daughter, and I remember back in the day when her class actually had closer to 36 students. It's a very difficult environment to learn in. My 11-year-old daughter, now, is very fortunate. She only has 18 kids in her class, which I think is fantastic. Absolutely. I'm just wondering where the ministry is at in ensuring that the guidelines – I know that when the hon. Member for Chestermere-Rocky View talked about class size, you said that you take an average across the province. Is that average including urban and rural? Is rural meeting those average amounts?

**Mr. J. Johnson:** Unless the guys correct me, the average is by school board.

You make a very good point. In rural Alberta you're going to have some remote schools or some smaller rural schools that are going to have very small class sizes or that might have double or triple grades, and then in some of the smaller urban centres in that same school board you might have larger class sizes or quite large class sizes, but because of the resources the school board is given, they've got to try to balance that out, and their average reporting at the end of the year might look okay.

**Mrs. Towle:** My last question on this topic is that when we're talking about the prioritized list, the list of how you make the decision on what schools to keep open, where to build a school, where to take down a school – I know the Member for Chestermere-Rocky View had asked some questions around this as well – one of the things that always seems to come up is not only how you make that decision, but, as I understand it, that the 62 school boards provide you with their capital plans over X number of years and then you look at those 62 school boards and decide from those capital plans the prioritization. I'm assuming that at some point in time . . .

**Mr. J. Johnson:** Hold that thought for tomorrow.

**The Chair:** All right. Thank you very much.

We will go to Dr. Brown next. Did you want to go five and five or just back and forth?

**Dr. Brown:** I don't think anybody has ever gone five and five, have they?

**The Chair:** I still need to ask the question.

**Dr. Brown:** Okay.

**The Chair:** Back and forth it is. Whenever you're ready.

**Dr. Brown:** Okay. Minister, I've got a couple of questions relating to your business plan here, the first one relating to the percentage of students that are completing within five years of entering grade 10. Then the percentage of them that are proceeding into postsecondary within six years of entering grade 10 is 58.4 per cent in your last figure, kids that are going on to postsecondary programs, including apprenticeship. Why are we still lagging so far behind? More importantly, what are you doing to do improve that?

**Mr. J. Johnson:** Let me just pull up those numbers here.

**Dr. Brown:** It's on page 18 of the business plan.

**Mr. J. Johnson:** You're asking about the high school completion?

**Dr. Brown:** Yeah, and the one below it, 2(g), which is the percentage entering postsecondary programs.

**Mr. J. Johnson:** Yeah. You know, obviously, we know those are a challenge in Alberta partially because of the strong economy that we have. One of the things that we're doing – I referred to it earlier – is that we're trying to make the education system here as relevant and modernized as we can. When we look at kids that may be leaving the education system or may not even be finishing high school, the real question is: why are they doing that? How do we keep them interested and motivated and make learning relevant for them?

One of the big numbers you look at there is for the FNMI students, which is alarming to a lot of people. One of the things that Minister Campbell has been working on diligently with the chiefs – we just met with the three grand chiefs from Alberta again – is the education file. Alberta has developed an MOU with the aboriginal community and with the government that has eight subtables going that are looking at a whole bunch of things, including education. There's actually a big focus on education.

I would say that, especially as I look at the remote northern communities, one of the issues that we've got is the access to opportunities for these kids but also that we're delivering a system that's relevant for them. You know, they would argue that we've got an education system that is designed to get kids to university. So if you're not of the mindset that you're going to go to university or if you don't have the skill set or if you don't have the aptitude or if you don't have the desire to go to university, how relevant is our system for you? Are these kids leaving early because it's not delivering the skills and the relevance that they need in their community or in their economy up there?

The number that you don't see here is that only 17 per cent of our kids go to university. Yet many would argue that we have a system designed for that 17 per cent. As we look at high school flexibility programming, which is a different way to accredit high school credits, and as we look at dual crediting so that we're getting the postsecondaries involved with these kids earlier and blurring the lines between K to 12 and postsecondary and the dual crediting with industry, we're going to get these kids involved in things that really interest them and things that are relevant for the

economy and more satisfying and give them opportunities that, like I said, are more relevant.

So a big piece of where we're trying to go is not only working with those communities and those community leaders but adjusting the content in the education system and the accreditation and our partnerships with postsecondaries to make learning more relevant and more accessible.

**Dr. Brown:** Thank you.

Just following up on that, some of the kids that are coming out of grade 12 – I guess they'd be in that category of having completed their high school – are coming out with limited skills in writing and basic arithmetic. I know of instances where kids are coming out with a high school diploma and they don't know their times tables, basic arithmetic. I'd like to ask you what the position of the department is with respect to automatic grade level promotion in our schools. Is that something that the department deals with, or is it something that each school board deals with individually?

**Mr. J. Johnson:** I guess it depends on what we're talking about here. The assessment and the progression is dealt with on the ground with the professionals that are doing the assessment and delivering the content and the courses. Those are the teachers and the principals and the people that manage the operations of the schools. They do those things in conjunction with the parents, I hope, in dialogue with the parents.

The concern you raised about kids coming out of the system with, theoretically, a diploma without those skills is pretty alarming because Alberta has one of the most challenging, I think, high school diploma credentials in North America and in the English-speaking world. We're often challenged that it's actually too difficult and too weighted on the high school diploma side and not enough on the course material through the year. So I would find it difficult to believe that a kid is going to pass that high school diploma if he can't read or write.

6:15

**Dr. Brown:** The next question I have is regarding full-day kindergarten. You mentioned that it remains a priority although you're going to delay the implementation of it. I would certainly hope that you would agree that we should be spending our money smarter and not necessarily investing in areas that don't lead to long-term student success. There is conflicting research on the efficacy of full-day kindergarten and early childhood education on the long-term success of students. I know that there's some evidence that shows that with test scores there's a diminishing effect as you progress through the upper grades. There are other studies, conversely, that show that there are some good long-term effects to full-day kindergarten.

I'm wondering: what are we basing that pursuit of full-day kindergarten on? What type of empirical evidence do we have that kids' successes in high school and beyond in terms of their long-term careers are enhanced by putting them in there? The reason I ask that is because two of the very top-performing jurisdictions in the world are Korea and Finland. In Finland we know that kids don't start school until they're seven years old. In Korea they don't have any publicly funded kindergarten although a lot of people do send their kids to kindergarten, particularly where they have two parents in the workforce. Given the fact that there seems to be some ambivalence about the long-term benefits of full-day kindergarten, why are we pursuing it, and what's the basis for that?

**Mr. J. Johnson:** Well, you know, the member brings up a good point. There is contradictory research on this. You could point to different systems, but I think there are a lot of factors in those different systems other than just what age they start school. It's pretty tough to peel out whether the full-day K is what you should give credit to or not. Certainly, the research shows and I think any educator and probably any parent and anecdotal examples on the ground would tell you that for at-risk children with respect to, you know, if they've got challenges, full-day K has got a lot of value to it. So does early childhood development, even if you look at pre-K.

I think that as we move forward and have even some policy discussions on full-day K, one of the questions that will be before us is: does full-day K become mandatory? Is it optional? Is it only for at-risk kids? Who do we fund? Those are the pieces that we are kind of putting together now so that caucus and cabinet can make a decision on that.

**Dr. Brown:** Well, I think that there is good research, from the way I understand it, for the value of kids in high-risk situations being put into kindergarten where they learn socialization, you know, how to make friends, and get them out of what might be a detrimental environment. But for a lot of kids that wouldn't be the case. I just wonder whether or not kids may be better off learning how to play and socialize outside of school classrooms.

**Mr. J. Johnson:** Well, as a parent I can't disagree with you. Certainly, we want to get to a point where we're funding and seeking out and helping the at-risk kids at the bare minimum. I think that full-day K is not the question for Alberta; it's just when and who is eligible for it and how we deliver it.

**Dr. Brown:** Given the fact that there is real good research that shows that the small class sizes and equality of the teachers are very important factors in student success, would it not be wiser to put the resources into those areas rather than into full-day kindergarten?

**The Chair:** You're out of time.

We'll go to Mr. McAllister. Again, I assume, back and forth with the minister? Very good.

**Mr. McAllister:** Works for me. Great discussion on kindergarten, by the way. I like that the member raised it. I heard about it all over the province when I travelled, too, and varying viewpoints, all of which you just raised. Parents look at it differently. I would just chime in before my next line of questioning and say that the socioeconomic conditions, as you know, in some communities make it much different for some parents.

Minister, I want to talk about Alberta Education a little bit. You know, I think it's good to explain to people that have questions about your department how it works and how many people there are, et cetera, et cetera. How many certified teachers are working with Alberta Education?

**Mr. J. Johnson:** Oh, boy. You know, that's a good question. I don't think I have an answer for it at my fingertips. Those numbers change just about on a daily basis because we have a lot of people that come in on contract or secondments.

**Mr. McAllister:** Some are seconded, yeah.

**Mr. J. Johnson:** Yeah. We have, you know, in the neighbourhood of 700 full-time equivalents, and then we have a couple of hundred secondees. Most of those secondees are from school

divisions. They're educators. They're coming in to work on projects. They're coming in for two years. They're coming in for a few months. It's up and down all the time. There certainly are a lot of certificated folks that work in the department. We want that expertise. We want those educators to be a part of it.

**Mr. McAllister:** Sure. I guess it's just, you know, recognizing that they're all valuable. Obviously, many people would just love to see more certified teachers in the class. I know you know that.

Do you know how much we spend on this group in Alberta Education? Do you know what we spend on the 700 or 800 teachers? What would the bottom line be?

**Mr. J. Johnson:** Just on certificated teachers?

**Mr. McAllister:** Yeah, with Alberta Ed.

**Mr. J. Johnson:** No one who's working in Alberta Ed as a certificated teacher is teaching. They're all working on curriculum development or assessment, and they're out in the field, working with teachers in the field, some on PD things and research. The cost is wrapped up within the ministry. I think it's almost impossible to pull out just what you spend on certificated staff. They are on staff. They're seconded. There are people that we pull in for a day here or a day there to do marking of exams, and we pay them honorariums.

**Mr. McAllister:** Yeah. I wouldn't expect you to break it down for those that are coming in, you know, temporarily to help out with the workload and PATs and whatever else. I'm just trying to get a general number for how many certified teachers you've got working with Alberta Education that are working on curriculum and everything else, that aren't in the class.

**Mr. J. Johnson:** I don't have a number for you off the top of my head right now.

**Mr. McAllister:** Okay. Do you know how much we spend a year on developing curriculum?

**Mr. J. Johnson:** Ellen, do you know that answer off the top of your head?

**Ms Hambrook:** If it's developing curriculum or combined with assessment . . .

**Mr. McAllister:** They're going to ask you to use a microphone, I'm sure.

**The Chair:** Yeah. The microphone there is fine. We'll just get you to introduce yourself for the record, please.

**Ms Hambrook:** I'm Ellen Hambrook. I'm the assistant deputy minister for education program standards and assessment.

If we're talking the entire budget for curriculum, which also includes programs of studies, learning and teaching resources, and assessments, it's \$55 million.

**Mr. McAllister:** So that's what's spent on developing curriculum every year in Alberta?

**Ms Hambrook:** Every year, yes. That also includes international education, which is about \$2 million.

**Mr. McAllister:** Okay. Will you be able to give me the number, Minister, as to how many teachers you have working at Alberta Education?

**Mr. J. Johnson:** Sure. Yeah, we can do that. I'm sure we can.

**Mr. McAllister:** Okay. Good. Excellent. You know, it's one of the criticisms that people often raise. It might even help you to provide that if people are able to look at it and see how many and say that it's perfectly legitimate. At least they can look at that number and say – you know, many say: boy, it seems like we've got a lot of teachers that aren't in the classroom. These are the teachers coming up with the paperwork, I think, that the teachers are complaining about, that you were having such a time negotiating a contract with.

How is that going, by the way? What are we doing to reduce paperwork?

**Mr. J. Johnson:** Well, I think there are a number of things on the go. A couple of things have come out of the work we've done recently with reaching out to teachers. You know, we've got some commitments in the agreement with the ATA that we're actually going to put some formal reviews in place. We're going to look at some of the legacy initiatives that maybe we don't need to still be delivering out there or teachers don't still need to be reporting on. One great example is that we brought teachers in to completely redesign the accommodations program for us to get rid of red tape for them because they were frustrated with that. They've done that. That's happened just in the last month here. There's a lot of good news happening on that front.

6:25

You know, I just want to say that on the curriculum side of things one of the things Alberta is known for is having some of the strongest curriculum in the English-speaking world, and that's because we've invested in that. We've invested a lot of time to put these people in place and to develop a strong curriculum. We're going to make it less prescriptive going forward, and we're going to make some changes to it. One of the reasons we've done so well internationally on tests and our system is so well respected is because of the strong curriculum.

**Mr. McAllister:** Yeah. You know, again, in the overall goal here of finding balance and bringing what's best to the kids, I go through these line items and try and figure out where you have tried to shave some money and where there might be areas that you haven't. That's why I'm asking these questions.

You mentioned Finland, or maybe it was the Member for Calgary-Mackay-Nose Hill that mentioned Finland. I know Alberta Education looks at its Inspiring Education plan as part of what is done in Finland. They have about, I think, 300 employees in a joint Department of Education and Culture. Often when we make comparisons, some people will say that, you know, they're apples and oranges and it's an unfair comparison. But given that we use Finland often, your government does, you know, as where we're trying to aspire to – some of the things that they do right we look at and we try and implement – if they have 300 employees in the joint Department of Education and Culture and it seems like we have two or three times that many, doesn't that seem like a lot?

**Mr. J. Johnson:** Well, to my knowledge, we don't have any employees in a joint department of culture and education.

**Mr. McAllister:** Okay. Fair enough. But Education?

**Mr. J. Johnson:** We have lots of people that work in the Department of Education. You bet. We have 86 fewer today than we did a month ago.

**Mr. McAllister:** Sure. Look, it wasn't a really hard question, I don't think, Minister. If Finland has 300 people in Education and Culture and you just told me that we have 600, 700, 800, I'm saying that that seems like a high number for a country that we model ourselves after in many ways. Do you see that also?

**Mr. J. Johnson:** I think one of the things we have to be careful about when we pull out one piece of another system, whether it's Singapore or whether it's Finland or whether it's Korea – you know, in Singapore or in Finland they'll do things differently, and quite possibly a lot of the things that are downloaded to the local school boards in Finland we're doing as a ministry here. So it's not that you're not doing them in the administration side of Education. It might be in someone else's budget line item, or it might be delivered by a different group, but they're still being paid by the taxpayer.

**Mr. McAllister:** Fair enough. So the apples and oranges reference that I gave off the top is probably how you'd defend that.

**Mr. J. Johnson:** Absolutely.

**Mr. McAllister:** Okay. Did we get the \$55 million on curriculum? You're going to try and get me a number on how many certificated . . .

**Mr. J. Johnson:** On certificated staff. Sure. Yeah.

**Mr. McAllister:** Reducing the paperwork. I think you touched on it a little bit there. Is there anything going forward, you know, concretely in the next little while that teachers are going to see some of that reduced?

**Mr. J. Johnson:** Yeah. The one in particular that I just briefly mentioned was the accommodations. The accommodations is the paperwork teachers have to put in when kids are getting some help writing an exam, basically. There's quite an assessment process and, basically, proof required that kids need certain help, whether

it's a scribe or whatnot, and that was quite onerous. With 15 teachers that we brought in for the day, we've redesigned that process completely, and I think we're going to eliminate thousands of applications for these kids, paperwork that's got to come through the department.

**Mr. McAllister:** The time, Mr. Chair?

**The Chair:** Thirty seconds.

**Mr. McAllister:** Do you think we need 62 school boards in Alberta?

**Mr. J. Johnson:** I think the 62 school boards we have do a fantastic job.

**Mr. McAllister:** Agreed. Do you think we need them all?

**Mr. J. Johnson:** Yeah, I do. I think that, you know, we'll have our perpetual debate on whether it's the right number. I think maybe a debate we should be talking about is: what's the right size? Not size geographically, not size by student, but if we want school boards to be relevant for communities, then that community has got to have a voice, and school boards need to be a certain size so that community can have a voice. That's really what school boards are about.

**Mr. McAllister:** Thank you.

**The Chair:** All right. Thank you.

Looking at the minute or so we have left, I think we'll just adjourn for the evening.

I'd like to remind the committee members that we're scheduled to return tomorrow, Wednesday, March 20, 2013, at 3:30 in the afternoon, to continue consideration of the estimates of the Ministry of Education.

Thanks very much, everyone. We're adjourned.

[The committee adjourned at 6:30 p.m.]



