



Legislative Assembly of Alberta

The 29th Legislature
Second Session

Standing Committee
on
Families and Communities

Ministry of Education
Consideration of Main Estimates

Tuesday, May 3, 2016
3:30 p.m.

Transcript No. 29-2-3

Legislative Assembly of Alberta
The 29th Legislature
Second Session

Standing Committee on Families and Communities

Goehring, Nicole, Edmonton-Castle Downs (ND), Chair
Smith, Mark W., Drayton Valley-Devon (W), Deputy Chair

Dach, Lorne, Edmonton-McClung (ND)*
Drever, Deborah, Calgary-Bow (ND)
Hinkley, Bruce, Wetaskiwin-Camrose (ND)
Horne, Trevor A.R., Spruce Grove-St. Albert (ND)
Jansen, Sandra, Calgary-North West (PC)
Luff, Robyn, Calgary-East (ND)
McPherson, Karen M., Calgary-Mackay-Nose Hill (ND)
Orr, Ronald, Lacombe-Ponoka (W)
Pitt, Angela D., Airdrie (W)
Rodney, Dave, Calgary-Lougheed (PC)
Shepherd, David, Edmonton-Centre (ND)
Swann, Dr. David, Calgary-Mountain View (AL)
Turner, Dr. A. Robert, Edmonton-Whitemud (ND)**
Westhead, Cameron, Banff-Cochrane (ND)
Yao, Tany, Fort McMurray-Wood Buffalo (W)

* substitution for Karen McPherson

** substitution for Deborah Drever

Also in Attendance

Clark, Greg, Calgary-Elbow (AP)
Cyr, Scott J., Bonnyville-Cold Lake (W)

Support Staff

Robert H. Reynolds, QC	Clerk
Shannon Dean	Senior Parliamentary Counsel/ Director of House Services
Philip Massolin	Manager of Research Services
Stephanie LeBlanc	Legal Research Officer
Sarah Amato	Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications and Broadcast Services
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

Standing Committee on Families and Communities

Participant

Ministry of Education
Hon. David Eggen, Minister

3:30 p.m.**Tuesday, May 3, 2016**

[Ms Goehring in the chair]

**Ministry of Education
Consideration of Main Estimates**

The Chair: I would like to call the meeting to order and welcome everyone. The committee has under consideration the estimates of the Ministry of Education for the fiscal year ending March 31, 2017.

I'd ask that we go around the table and have all MLAs introduce themselves for the record. Minister, when we get to you, please introduce the staff that are joining you at the table. I'm Nicole Goehring, MLA for Edmonton-Castle Downs and chair of this committee, and we'll continue, starting to my right with the deputy chair.

Mr. Smith: My name is Mark Smith. I'm the MLA for Drayton Valley-Devon, and I'd like to introduce to you my legislative assistant Maureen Gough, who will be helping me today.

Mr. Cyr: My name is Scott Cyr, MLA for Bonnyville-Cold Lake. I regret that Tany Yao won't be here today.

Mrs. Pitt: Angela Pitt, MLA, Airdrie.

Mr. Orr: Ron Orr, Lacombe-Ponoka.

Mr. Clark: Good afternoon. Greg Clark, MLA, Calgary-Elbow, with my researcher Natasha Soles.

Ms Jansen: Sandra Jansen, Calgary-North West, with my researcher Thomas Ockley.

Mr. Eggen: Good afternoon. My name is David Eggen. I'm the Minister of Education. To my left is Michael Walter, assistant deputy minister, and to my right is Lorna Rosen, my deputy minister. Then farther on is Brad Smith, executive director for financial services.

Mr. Dach: Lorne Dach, MLA for Edmonton-McClung, substituting for MLA McPherson.

Ms Luff: I'm Robyn Luff, MLA for Calgary-East.

Dr. Turner: Bob Turner, MLA, Edmonton-Whitemud, substituting for MLA Drever.

Mr. Horne: Trevor Horne, MLA for Spruce Grove-St. Albert.

Mr. Westhead: Cameron Westhead, MLA for Banff-Cochrane.

Mr. Hinkley: Bruce Hinkley, MLA, Wetaskiwin-Camrose.

Mr. Shepherd: David Shepherd, MLA, Edmonton-Centre.

The Chair: Thank you.

Please note that the microphones are operated by *Hansard*, and we'd ask that any BlackBerrys, iPhones, et cetera, be turned off or set to silent or vibrate and not be placed on the table as they may interfere with the audiofeed.

Hon. members, the standing orders set out the process for 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 Standing Order 59.01(6), the rotation is as follows. The minister or the member of Executive

Council acting on the minister's behalf may make opening comments not to exceed 10 minutes. For the hour that follows, members of the Official Opposition and the minister may speak. For the next 20 minutes the members of the third party and the minister may speak. For the next 20 minutes the members of any other party represented in the Assembly or any independent members and the minister may speak. For the next 20 minutes private members of the government caucus and the minister may speak. For the time remaining, we will follow the same rotation just outlined to the extent possible; however, the speaking times are reduced to five minutes as set out in Standing Order 59.02(1)(c).

Members may speak more than once; however, speaking times for the first rotation are limited to 10 minutes at any one time. A minister and a member may combine their time for a total of 20 minutes. For the final rotation, with speaking times of five minutes, once again a minister and a member may combine their speaking time for a maximum total of 10 minutes. Discussion should flow through the chair at all times regardless of whether or not speaking time is combined. 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.

If members have any questions regarding speaking times or the rotation, please feel free to send a note or speak directly with either the chair or the committee clerk about this process.

Three hours have been scheduled to consider the estimates for the Ministry of Education. With the concurrence of the committee I will call a five-minute break near the midpoint of the meeting; however, the three-hour clock will continue to run. Does anyone oppose having this break?

Mr. Smith: I would prefer the time.

The Chair: You would prefer the time to run.

Committee members, ministers, and other members who are not committee members may participate; however, only a committee member or an official substitute for a committee member may introduce an amendment during a committee's review of the estimates.

Ministry officials may be present, and at the direction of the minister officials from the ministry may address the committee. Ministry staff seated in the gallery, if called upon, have access to a microphone in the gallery area. Members' staff may be present and, space permitting, may sit at the table or behind their members along the committee room wall. Members have priority for seating at the table at all times.

If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn. Otherwise, we will adjourn at 6:30 p.m.

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 by the minister in the Assembly for the benefit of all members.

Again I will remind all meeting participants to address their questions and responses through the chair and not directly to one another.

The vote on the estimates is deferred until consideration of all ministry estimates has concluded and will occur in Committee of Supply on May 17, 2016.

If there are amendments, an amendment to the estimates cannot seek to increase the amount of the estimates being considered, change the destination of a grant, or change the destination or purpose of a subsidy. An amendment may be proposed to reduce an

estimate, but the amendment cannot propose to reduce the estimate by its full amount. The vote on amendments is deferred until Committee of Supply convenes on May 17, 2016. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are being moved. Twenty copies of amendments must be provided at the meeting for committee members and staff.

I will now invite the Minister of Education to begin with his opening remarks. You have 10 minutes.

Mr. Egen: Well, thanks so much. It's great to be here this afternoon to have the opportunity to discuss our Education 2016 budget and main estimates. I want to start by saying how proud I am of this budget and what it means to parents, students, and teachers. When it comes to making tough budgeting decisions, I saw my colleagues stand firm in their support of our schools. Through that process I was reminded of the number one reason why we are all here in the first place, in my view anyway, and that is to build a positive future for all of our children. We want to enrich their lives, we want to give them all the tools and skills for them to be successful in their future careers, and we want to provide them with a space that every day will be welcoming, caring, and safe.

Let's dive into some of the details. Education's consolidated operating expense is budgeted at \$7.9 billion for 2016-17. In addition, our capital commitments equal \$1.9 billion, for a consolidated total of \$9.8 billion. With that funding, we will continue to fund enrolment growth, just like we did in Budget 2015. That means that every K to 12 student passing through the doors of our schools will have the funding that provides them with a quality teacher and a quality place to learn. Despite our province's economic challenges, our student growth remains strong. We expect to see an additional 8,200 learners by this fall. We also will maintain or grow our existing grant envelopes to provide further support to English language learners, to First Nations, Métis, and Inuit students, and to incoming refugee students.

Now, education is largely a flow-through ministry; 98 per cent of our operating budget is allocated to school boards. They are tasked with making decisions to best fit the local communities. I must say that school boards are very pleased with this budget.

Just this past Friday I had the opportunity to visit Galbraith elementary school in Lethbridge to meet with students, teachers, and trustees. Mich Forster, trustee chair of the district, laid out the very difficult circumstances facing his board about a year ago as they grappled with the reduced funding proposed by the previous government, a budget that they, of course, never had to deal with. Lethbridge is among the many boards in this province that are seeing growth. Forster describes stable funding as being imperative and said that the funding our government provided would give students "the resources they need." His comments have been echoed by trustees and teachers that I've met with around the province. My friends, this is the stable and predictable funding that those committed to education in Alberta have been waiting for for a long time.

With this budget we will also continue to support choice for parents. Our budget includes \$248 million for private schools and private early childhood services, ECS.

Stability in these economic times is very important to families. They need to have the confidence that the school they send their children to every day will continue to operate and continue to provide their students with a safe space and a quality education.

3:40

We also know that getting students to school can be a challenge. We have increased our funding for transportation by \$5.5 million,

and this is an area that we will continue to work with our school boards on.

Once at school we know that class size remains a concern for many parents, and we are doing our part to address this issue, too. On top of funding enrolment, our support for the small class size initiative reaches \$287 million for '16-17. This is an increase of \$6 million, or 2.1 per cent.

We also know that we have a lot of work to do to support our First Nations, Métis, and Inuit students. In this budget we put forward \$28 million towards strengthening relations with our indigenous communities, towards facilitating enhanced co-ordination of supports, and for increased professional learning opportunities for existing indigenous teachers while also recruiting more to the profession.

We heard loud and clear the long-standing need for more support for FNMI students in meetings that I held last week with the leadership from Kainai First Nations and Siksika First Nation as well. We will continue these discussions in the weeks ahead, and already we're seeing some progress.

One example is that earlier this year I had the pleasure of signing an education agreement with Kee Tas Kee Now Tribal Council. This is a first-of-its-kind arrangement that will link five bands with Alberta Education to provide funding as well as development of culturally relevant courses and supports for students.

We will also be pushing hard on our federal peers to address the gap in funding between students living off- and on-reserve. For too long these students have not been funded adequately. Our government firmly believes that every Alberta child deserves the same quality education regardless of where they live. We know that there's more that we can do to support our families and to encourage our students to attend school.

This fall we will launch a pilot school nutrition program, with the goal of expanding this initiative over time. More funding for this work will be coming in the next year, but in the meantime I have been meeting with a number of groups that already do very great work in providing food in our schools. Our goal is to enhance these efforts, not replace them.

We also need to continue to strive to make school more affordable and reduce the burden of fees on families. But we also had to be mindful of the difficult economic circumstances facing the province, and as such we have deferred additional funding to reduce school fees to the '18-19 budget. Despite this we have seen some boards take steps to reduce or remove altogether instructional fees, and I must commend those boards for those efforts.

Of course, none of the programs and initiatives will thrive without quality schools in which to house them. We are currently in the midst of the largest school capital builds in provincial history. There are 200 ongoing new schools and modernization projects. In Budget 2016 we have committed \$1.8 billion to capital spending. Beyond funding for those 200 projects, we are also putting \$50 million towards the construction of modular classrooms, an additional \$139 million for infrastructure maintenance and renewal, and \$9 million for maintenance and renewal of existing P3 schools. I should note that our maintenance funding will exceed \$1 billion in these coming years. It's very important since we know that we must maintain existing school infrastructure.

We are also working very hard to improve our processes for building schools. We know that this work was largely not predictable by the previous government and that poor planning has led to many projects being delayed. We, however, have turned to a monthly reporting on the status of projects and engaged in an audit with KPMG of our construction processes and are flowing money to projects as needed, a move that we believe will save significant money annually. Albertans can take faith that we are building the

schools that they have waited for for so long and expect, for example, 48 of those 200 ongoing projects to be completed and ready for students in time for the fall start of school.

That's a brief overview of our 2016 budget, both when it comes to operating and capital. I'm very proud of what we have all accomplished together. I was just out in Edmonton-Calder over the weekend, knocking on some doors and meeting parents, teachers, and so forth, and there was definitely strong support for our decisions to protect the classrooms that our students rely on.

We still have plenty of work to do, and we certainly can get into all of that this afternoon. I think that we have to be very cognizant of how we are funding education on an ongoing basis, and certainly I know that each of you has a very strong commitment to education as well.

I am very pleased to take your questions. If you don't mind, just to help us, if you are referring to a specific line of our budget document, if you can give us that line, that would help us a lot to move the information forward as we need to do.

With that, Chair, I will open the floor to questions.

The Chair: Thank you very much, Minister.

For the hour that follows, members of the Official Opposition and the minister may speak. Would you like the timer to be set for 20-minute intervals so that you are aware of the time, or would you prefer to let the full hour flow without interruptions?

Mr. Smith: Let me know when the 20 minutes is up on the timer.

The Chair: Thank you. Will you be sharing your time with the minister?

Mr. Smith: I would like to share my time with the minister and go back and forth with him if that's . . .

Mr. Eggen: Yeah. Absolutely. That sounds great.

The Chair: Thank you. Go ahead.

Mr. Smith: First off, I want to just say thank you, Mr. Eggen. I have enjoyed this past year working with you, and I believe that while sometimes we're adversaries, I know that you're trying hard to work in the best interest of students, and I've appreciated the times when we've been able to do that together. So thank you very much.

Mr. Eggen: Yeah. You know, the feeling is mutual, for sure. I think we have something very common in mind, right?

Mr. Smith: Now I guess we get to get into our more traditional roles here, and I get to start asking questions. With a forecast of about a \$10.4 billion deficit in the making, every dollar has to be spent wisely – I think we would both agree with that – and neither the Wildrose Party nor the NDP wants to see cuts that affect front-line services. Yet with a \$10.4 billion deficit there needs to be some plan to balance this in future budgets at some point in time. This budget in the way that it has been crafted, as all budgets do – and I'm sure that you are aware of this – makes decisions about what's important in education, what will take a higher and what will take a lower priority. To quote you: "Albertans want predictable funding for education, not political games." So we'll try to get past the political games today and try to ask clear questions and get clear answers and see where we can go.

I think that there is a theme today, Mr. Minister. It's that we believe that in some cases in the education field that we work in, we need to get some clarity from this budget, okay? For instance,

where in the budget do you have a budget line for international travel?

Mr. Eggen: International travel. Well, I think that it would be in our – like, for the department or for individual school boards? If they do do that, it would be . . .

Mr. Smith: I'm thinking more for the department.

Mr. Eggen: For the department. Yeah. Okay. It would be in the department expenses. So we're just going to take a look at that for you.

Mr. Smith: You know, I guess, still being new to this, there are still times when I'm questioning and trying to learn and trying to figure how these things all work out. Maybe it'll help you a little bit if I give you a little focus. In doing some reading, we came across an article reporting on a trip – and I am probably going to butcher this – to Jalandhar in February 2016. It was to visit the Cambridge school for girls to discuss the Learning Wings Education Systems. It surprised me that the ministry would be sending delegations to international events like this, especially when I didn't see it in the previous budget.

Where in the previous budget did we find international travel, and is that same line item in our budget right now? I mean, where would I find international travel?

Mr. Eggen: Well, thank you for the question. In a general way, all of program 1 would have international travel as well as line 2.7 in the budget. We can certainly look more specifically around the – was it in India? Is that where it was?

3:50

Mr. Smith: Yeah. Well, it could be any country.

Mr. Eggen: Right. I mean, there's a whole range. We do have the co-ordination of international students that we do. We also have the Alberta curriculum being used in some jurisdictions internationally. So, you know, co-ordinating those school jurisdictions are the trips that I've seen in the year that I've been the minister, some of our people going to those places. So that's pretty much . . .

Mr. Smith: Well, I guess what I would like to be able to find out at some point in time is – you know, that's just an example of what we read from the past budget. But going forward into this budget, are you planning on doing any international trips? How much is it going to cost? What's the budget for it? Where would we find it in the budget? Why are we going? I mean, at one point in time we had and we still do have, I believe, a very good system of education, so what's the justification for going on these trips, and are we planning any in the coming year?

Mr. Eggen: I think that, yes, we do have international travel, our people going out. If it is an international school that uses the Alberta curriculum, then they will pay for that expense. And, yes, we do have some other trips although, you know, I watch them very carefully in regard to travel. Certainly, I can provide some more specific information for that if you'd like.

Mr. Smith: Like I said, I'm learning at this job. I hadn't even considered international travel in the first set of budget estimates that we went into, so when I read this article, I'm going: okay; how much are we going to be spending, and what other items are we going to find out from newspaper articles, you know, are in the budget but aren't in a budget line? If you could get me some

information about the kind of international travel and how much you're going to be spending, that would be good.

Mr. Eggen: Sure. Yeah. I mean, each one of them I do see. You know, part of what travel internationally has done as well is to bring international students here to our jurisdiction. Of course, they pay tuition for that, too.

Mr. Smith: Well, I wasn't thinking so much of students coming here, because we do know that there are international students that take part in our school system.

Mr. Eggen: No, no. But our people going to those places.

Mr. Smith: I was thinking of ministry officials that are going.

Mr. Eggen: Yeah. That's it. I mean, as I say, international schools that use our curriculum will generally pay for that travel, so there's no cost. And then some of our other people go to help co-ordinate international students coming to some of our school boards such as, you know, the Canadian Rockies school division, for example.

Mr. Smith: Okay. It's something I needed to ask because it was a surprise to me. So if you could maybe get us some of that stuff.

Mr. Eggen: Yes. I watch it very carefully. The international travel comes to my desk each time.

Mr. Smith: Okay. In the budget estimates on page 80 you've got two categories here. You've got the 2015-16 forecast, and then you've got the actuals. I guess one of the questions I've got for you is: do you anticipate that there's going to be a difference come this June between the forecast and the actuals, and if so, why will there be a difference to the total forecast and the actual total expenses that we see on page 80?

Mr. Eggen: Yeah. I mean, we make the forecast as our best estimate, and then, of course, the actuals come out when you actually see us spending the money. You can do a comparison from previous years, where you'll see that our actuals will come out quite close to where, you know, our forecasts have been. I think that I've seen a fair bit of consistency in that regard. We know that our financial department has a long history of numbers to work with, and they do a good job of looking for that. I mean, because we deal with the school year, the whole arc of a school year in regard to our budgets, we have to make sure that we provide money for the operations of the various activities that we're involved in as close as we can, and then, you know, we can hit back to the ...

Mr. Smith: So you don't anticipate any differences. You think you're going to hit the mark pretty closely?

Mr. Eggen: Well, you know, it depends. I mean, we need that information on enrolment from individual school boards. That's the key one because, of course, with our commitment to fund for enrolment, we have to get that information from the school boards. That generally comes to us by the end of September, and in October we finalize those numbers.

Mr. Smith: Okay. When we were looking at the budget estimates, lines 4.1 and 4.2 in the 2015-2016 budget were basic education program initiatives and the French language program, for a total of just over \$70 million. I guess, when we look at this year's budget, those are different line items. So where would you find the basic

education program initiatives and the French language program? Where are those line items now, and why would they change?

Mr. Eggen: Let me just check that, okay? Can you say that again? Which lines?

Mr. Smith: Lines 4.1 and 4.2 in 2015.

Mr. Eggen: Got it. It's for accredited private schools support, accredited private early education service operators.

Mr. Smith: I'm referring to the fact that in this year's budget lines 4.1 and 4.2 are covering different categories than in Budget 2015. I'm just wondering: why do you see those differences in there?

Mr. Eggen: Okay. Perhaps, as Mike just explained to me, there was just more clarity around demonstrating where the money goes in regard to private schools support and then private early childhood service operators as well. You know, I remember that when I was doing this the first time around, there was some confusion because you can have private early childhood service operators. These are, like, the care that's in a school before or after school. You can have those private ones in public schools, or you can have, of course, private ones in private schools, too. We sought clarity in that regard to demonstrate where the money is being spent. I think we could consider that a refining of our reporting process to demonstrate how we're spending that money.

Mr. Smith: Okay. I'm going to move on. As you just mentioned here, you've made the announcement about fully funding enrolment increases. Where's that? What budget line is that?

Mr. Eggen: Let me just check that for you. The whole suite of line 2 and line 4 as well.

Mr. Smith: Lines 2 and 4?

Mr. Eggen: Yeah. That's right.

Mr. Smith: Okay. Minister, there's an issue that I've not been able to receive a clear answer on, and maybe you can clear it up for me here. The figures that are published by Treasury Board and Finance clearly suggest that the Alberta population has been decreasing for several years. I know that many rural school boards in the province are not projecting enrolment growth for this coming year; in fact, several are closing schools due to low enrolment. So how do we explain the difference between the Ministry of Education's prediction – and I believe that you've used a prediction of 1.3 per cent growth – and the Treasury Board and Finance projection of a net outflow of 6,000 people from the province?

Mr. Eggen: That's a very good question. I mean, I've asked it as well. We get our numbers based on the collection of information from the school boards and then, of course, work through the numbers that come to us by the end of September as well. You know, we use data such as birth rate, interprovincial migration, and international migration. But we know that the key to that one is that the young student population, the birth rate, is already there. We know that there's a young population as an aggregate across the province, so we're pretty confident that we will hit those marks. Remember as well that we fund for enrolment, so as those numbers come in, if they're less, then we make those adjustments along the way, too, so there is that flexibility that's allowed for. We see the growth quite strong in certain areas of the province, so you have to kind of account for that as well. I mean, don't forget that last year we saw the enrolment continue to grow, for sure.

4:00

Mr. Smith: Okay. You've projected a 1.3 per cent growth and about 8,200 more students in the province for the coming year.

Mr. Eggen: Yeah. That's about right.

Mr. Smith: We know that the per-student funding calculations can vary widely depending on the student. You know, you've got PO and M and differential cost funding and transportation, so getting the total cost per student can be a little tricky sometimes.

Mr. Eggen: Yes.

Mr. Smith: If it runs somewhere around \$15,000 per student, is that a reasonable figure?

Mr. Eggen: It's more like \$10,000 and change, I think.

Mr. Smith: Okay. You went with \$10,000 and change.

Mr. Eggen: Yeah.

Mr. Smith: If we went with \$15,000 – we tried to be generous – times that 8,200, that puts it at about \$123 million. However, more conservative estimates could put it at the \$10,000 range. That's true. What funding formula did your government – you just told me you've used the \$10,000 figure. Is that more or less where you . . .

Mr. Eggen: Yeah, \$10,000 and a little bit.

Mr. Smith: Okay. So to fully fund the student enrolment growth, you're looking at \$10,000 times 8,200, which would give us \$820,000. No. What is that, \$8,200,000?

Mr. Eggen: I think it would be \$82 million.

Mr. Smith: Okay; \$82 million. So the budget that you've got on line – what budget line was that? You've budgeted over \$333 million for new student enrolment growth. There's a pretty big discrepancy there. Why \$333 million and not \$82 million?

Mr. Eggen: Well, I mean, our funding: you look at the entirety of it, right? I believe there's the differential with different students and different envelopes – right? – and then I believe that there is an element of capital as well in there.

Mr. Smith: You're suggesting that \$251 million is going towards capital?

Mr. Eggen: Certainly, we can give you some more clarity on that. The simple addition of those two things is helpful in a way, but there's higher growth rate for students that are receiving extra funding as well. You have your ELL, FNMI, refugee envelopes as well, and students with special needs, and so forth. So you see a higher growth rate than 1.3 per cent in that area.

Mr. Smith: Okay. Some of that would be going into FNMI?

Mr. Eggen: Yeah. That's right.

Mr. Smith: Okay. Fair enough.

You've announced that this budget frees up funding for about 740 additional teachers – I believe that was from a ministry news release on March 2, 2016 – for an extra 8,200 students, which gives us a teacher-pupil ratio of about 1 to 12. That seems a little low.

Mr. Eggen: Yeah. Just as a point of clarification, the 740 was from last year, and this year – I mean, it's up to the school boards to make those choices about those things – we estimate about 360 teachers.

Mr. Smith: I'm looking at the article right here, and we can table this if you'd like to take a look at it later. This is from March 2, and it says that there are "740 additional teachers in Alberta's classrooms this school year."

Mr. Eggen: Yeah. That's now. That's right for '15-16. This budget is for next year, so the numbers you're using and then the number of teachers add up to about 360, right? For this year we estimated that based on what we funded, it was about 740 teaching positions, and this next year it's 360.

Mr. Smith: You're going to be adding an additional 360, not 740 teachers, for the coming year, 2016?

Mr. Eggen: Next year. Yes. That's right. For the next year.

Mr. Smith: Or is that 2017 or this year, 2016?

Mr. Eggen: For 2016-17. The last budget was for last year. For the year that I've been the minister, we made an estimation of about 740 positions and for this year about 360 positions.

Mr. Smith: Okay. Have we got any idea of where these teachers – are there going to be specific areas where these teachers are going to be going? Are they predominantly going to the cities? Is it rural? Is it public, separate, independent schools or spread amongst all of them?

Mr. Eggen: Yeah. That's a good question. Wherever the enrolment growth is is where – I mean, again, of course, school boards are making those decisions to hire those teachers. It flows through. We were trying to create an aggregate sort of idea of where things are in the whole province: last year about 740 positions, based on funding for enrolment and then the reinstatement of cuts, that did take place as well; and this next year, we figure, about 360 teacher positions.

Mr. Smith: Okay. Thank you.

Mr. Eggen: You're welcome.

Mr. Smith: Reductions: I want to sort of focus on that a little bit. "I think that we also know that the priority of Albertans is to make sure that we might make sacrifices in other areas to ensure quality education for all of our students from K to 12. That, I don't think, is negotiable." I believe that's a quote from yourself. This is a statement that you made about trying to find savings to ensure that the education system does not suffer. Could you tell us what kind of reductions or sacrifices you have made in order to find monies to make sure that we have a quality education system?

Mr. Eggen: Well, again, thank you for the question. This is in regard to building the overall budget for the government of Alberta and then making choices between departments and ministries and so forth. You know, we looked across all ministries and so forth in that regard. The sacrifices, of course, are quite obvious. It's borrowing money, right?

Then specifically in our ministry, you know, we have looked for savings as well. I mean, we have built in the department for the next three years savings of \$10 million by the reduction of salary expenditures by about 2 per cent, \$1.4 million; reducing supplies

and services by 2 per cent, \$1.4 million as well. The administrative budgets have been reduced over the last couple of years, from \$161 million in 2014 down to \$142.5 million now. This is a \$19.3 million reduction in our department. On a global level, then, as I say, making choices to move money into K to 12 education and then specifically in my Education department, these are some examples of efficiencies that we found.

Mr. Smith: Okay. Have you got some way of reporting on how those savings and those efficiencies in things like salary and supply and services and admin budgets are actually going to impact student learning results?

Mr. Eggen: Well, I mean, we can take a dollar value of what we managed to find in terms of reduction, and then we can of course apply it any number of ways to how we spend money in classrooms. It's entirely possible that you could make that calculation. We know how much a teacher unit costs and how much support staff cost as well and so forth, so that's a way by which you could do that.

I mean, I would like to point out, just as a reminder, that, you know, Education is a budget where about 98 per cent of the monies is sent to school boards. We definitely look to encourage school boards to find efficiencies, but, of course, with our commitment to funding enrolment and funding per student, we are limited in that regard.

Mr. Smith: Okay. Well, let's focus in on the 2 per cent that you actually directly control, then. From my understanding, there are 704 full-time equivalent staff positions in Alberta Education according to the 2016-2019 fiscal plan, yet according to the fiscal plan of the last two years before that there were only 648 full-time equivalents for each of those two years. Where do we find staff salaries in the budget, and can the minister explain why 56 more full-time positions are required in his ministry this year than over the last two years? In a time of fiscal constraint can the minister explain to Albertans why his ministry has grown by almost 10 per cent, well, 8.6 per cent?

4:10

Mr. Eggen: Yeah. For sure. The First Nations, Métis, and Inuit division of our ministry is where you find the FTE increase in Education. You know, that was as a direct result of our commitment to increasing student outcomes and also our commitment to the Truth and Reconciliation Commission. That being said, we still in the department are spending less money than we did three years ago. So you have a decrease of overall spending even though we did create more FTEs. What we've done in the ministry is to find efficiencies around not replacing some individuals that are FTEs as they might retire or move on and focus our attention on that FNMI division. I don't know if over time we can calculate the percentage of how much our ministry's overall budget has gone down, but it did realize a savings of \$19.3 million from two years ago. It's about a 12 per cent reduction. There you go. It's quite significant, for sure.

Mr. Smith: Okay. Well, I have no trouble believing the figures. I take you at your word. You're very professional people. But I guess there was a little bit of confusion, and we can maybe have this conversation some other time. It would seem to me that if you found efficiencies, it's not going to be by – you've added 56 full-time employees, but you haven't hired some people that have gone into retirement. It's probably found in some way other than not replacing those that have retired.

Mr. Eggen: Yes. I mean, it's been significant. We've wanted to lead by example in regard to our department's budget, and we have

made, you know, some cuts. We reallocated the money to where we wanted that money to be. Obviously, when you're looking to solve a problem or a challenge – let's say increasing student graduation rates and retention rates and attendance rates – you should aim for where you can have the most improvement. So we recognized that our FNMI students are where we can realize those best improvements. Of course, combined with, I think, our commitment to the Truth and Reconciliation Commission and to building FNMI curriculum, that's just the way we went, and I'm very proud of those decisions.

Mr. Smith: I was just in Ermeskin the other day, and I think we're seeing some of the benefits of that. They were some amazing kids.

Mr. Eggen: I think so, too, yeah. There's a greater dialogue. You know, you have to go slow once you start interacting with on-reserve education authorities as equals and recognizing straight-on that the funding discrepancy between a federal reserve school and our provincial schools is just not something we can live with much longer, quite frankly, right? So I've been working hard to get, you know, the federal government to recognize that more clearly. Like I said, working with a tribal authority like Kee Tas Kee Now is a way of dealing with it.

Mr. Smith: Thank you, Minister. I want to come back to FNMI a little later.

Let's go to your favourite topic and mine here, the carbon tax and the effect that it's going to have on Education. Obviously, we know that there's an increase of \$1 per gigajoule of natural gas starting January 1, 2017, and it's going to rise again in 2018. Edmonton Catholic is anticipating additional costs. All of the school boards are anticipating additional costs, and it's going to be in the millions of dollars. Your government recently announced that there would be no tax break for school boards. You've got – what? – about a \$333 million increase to your budget this year over last year overall. Can you tell us how much of that increased budget was calculated to offset or to cover the increased heating costs, or are you simply expecting the school boards to cover these costs?

Mr. Eggen: Well, let's not forget that, of course, the first level of that levy will start in January 2017, so you have just a part of the year. We have still the majority of this year by which we can start to calculate more accurately where and how the increases might lie for school board budgets. So I think that it's a great time, that we have available to us now, to work together on that, and I will be in consultation with my boards very closely.

Mr. Smith: So this wasn't something that you anticipated or saw coming?

Mr. Eggen: Well, I mean, on the budget level the school boards, you know, have those responsibilities around their energy. Like I say, most of the year will not have an increase based on a carbon levy. I'm going to work over the course of this year with the school boards to see where those costs are. You know, it's important to keep school boards in this whole process, like I said in the House – we can do it less emphatically here, of course – and to have it as an education opportunity for the kids. You know, let's not forget as well that as you build efficiencies into your system, in the buildings that you have or your transportation, then you save money, too, quite frankly.

Mr. Smith: Mr. Minister, to be quite blunt, your government has been very open about the idea of bringing in a carbon tax very early

on in your administration. You knew, I would guess, that this was coming down the pipe as you were preparing your budget, so deciding after the budget has been decided upon that now you have to deal with a carbon tax: did you not do any kind of economic analysis ahead of time? Did you not have any conversations with the people in your caucus that were pushing for this carbon tax? I mean, surely, these things should have been decided before you brought this budget forward, not after you've brought this budget forward.

Mr. Eggen: Well, I mean, we know that there are ways by which school boards, just like any other jurisdiction, can work through to find savings. We also know that in order for us to see a calculation of energy, it's a great chance to do an audit on energy expenditures and for school boards to go through and see where their energy expenditures are. We have the process and the time right now, from May up to the winter, to start to see where school boards are going to be at and to work with them as partners to find a way to make sure that this works. I mean, let's not forget as well that we create a fund that can move back to helping school boards with and rewarding them for efficiencies that they do create, so you can work with that in that way. I mean, school boards have a lot of flexibility in spending, and this is a great chance to find efficiencies for their energy use.

Mr. Smith: I think we understand that school boards do have some flexibility, but the big picture doesn't change a whole lot. If they have to bus students, they have to bus students. You've put a \$5 million increase into the transportation, into what we've heard from stakeholders was an area that was already underfunded. We know that we've heard the CBE talk about having some significant problems in transportation. We've talked to almost every rural school board across the province. They were having significant problems in transportation prior to this budget. Now you've put in \$5 million and increased the funding for transportation, and now you've upped the cost for fuel with your carbon tax by 4.5 cents a litre. You know, you read the same articles that I do. You see the same headlines that I do. These boards are struggling to try to figure out how they're going to be able to bus their kids this year. This is going to be very, very significant. So what's the plan?

Mr. Eggen: Well, certainly, I mean, the basis of our transportation plan is to make sure that we move kids to the schools and to have a system that works in an equitable and an affordable manner. So there are lots of factors that need to be worked through, let's say, when we're talking about transportation and the price of fuel and so forth. You know, I'm certainly willing to work with boards to find an equitable solution. I mean, we know that when you bring in something new like this, it's a great chance to shake through the system and see where we can make efficiencies and where we can reward efficiencies as well.

I mean, let's not forget as well that we're building 232 school projects right now that, you know, when we apply the principles of energy efficiency to them, can help to realize significant savings as well. That can be demonstrable to the kids and their families, so I think it's a great place to start being responsible about . . .

4:20

Mr. Smith: Mr. Minister, if we could just focus in on that for a second, then. I guess what I'm trying to get clear on here is that we know that there's going to be an increase in the cost for transportation, for fuel, for the heating of schools. It's going to be significant, and we're trying to wrestle with the idea of where that money is going to come from. Are you suggesting that the savings that you anticipate from your capital build are now going to be used

to subsidize the costs that are going to be coming out for the carbon tax that's being placed on here, or are you going to be coming back to the taxpayers in the fall with a supplementary supply bill to pay for them? Based on what you just told me, it sounds like you think you're going to have savings in the capital build to the point where you'll be able to cover the cost for the carbon tax.

Mr. Eggen: No, no, no. I was referring to the design choices that we're making on new schools and doing the renovations to reduce the cost of heating and lighting buildings. That's, I mean, part of it as well. As you find efficiencies, your costs go down, too, so this is a way to try and look at this. You know, quite frankly, it's something that's quite overdue. No, we're not going back to look for more monies to pay for it. We work on ways to increase the efficiencies along the way, and it's quite useful. There's a whole sort of line of things that are happening over time. We're building these schools up to this new, high standard of insulation and using natural light and so forth, so that helps along the way. As we build those 232 schools, at least in some of the areas, you have more schools in closer proximity to where the kids are, so transportation costs go down, too.

Mr. Smith: Okay. Let's move into the capital build, but just before we do move into the capital build here, I'd like, Madam Chairman, to introduce an amendment. We've been talking about looking for efficiencies, so I would put this amendment forward as a way of looking for efficiencies and one of the ways that we could move forward and perhaps save a little bit of money.

The Chair: The original?

Mr. Smith: Oh, the original is right here. Do you need the original?

The Chair: Yes.

Mr. Smith: Oh, okay. I'm sorry.

The Chair: Thank you.

Mr. Smith: Okay. Do you want me to read through it now, or do you want me to wait until it's . . .

The Chair: Go ahead and read it for the record.

Mr. Smith: Okay. Thank you. This is a notice of amendment, 2016-17 main estimates, Ministry of Education. Mr. Smith to move that the 2016-17 main estimates of the Ministry of Education be reduced as follows:

- (a) for the minister's office under reference 1.1 at page 80 by \$25,000
- (b) for the deputy minister's office under reference 1.2 at page 80 by \$21,000
- (c) for corporate services under reference 1.3 at page 80 by \$226,000
- (d) for information and program services under reference 1.4 at page 80 by \$378,000
- (e) for communications under reference 1.5 at page 80 by \$41,000

so that the amount to be voted at page 79 for expense is \$4,400,190,000.

The Chair: Thank you.

Mr. Smith: Thank you very much, ma'am.

Okay. School facilities and infrastructure. Let's talk about the costs of builds and modernization. We're looking at line 3.1. Now, we both know that you inherited a build and a

modernization plan that could never have been completed. Nonetheless, as I understand it, your government has committed to seeing the phase 1, 2, and 3 plans completed as quickly as possible. Is that indeed the case?

Mr. Eggen: Yes, absolutely.

Mr. Smith: Okay. Have all the builds and the modernizations for the phase 1 list been completed?

Mr. Eggen: Let me just check that for you. Yeah. All but two of them are done.

Mr. Smith: All but two. Which ones are they?

Mr. Eggen: I'll check that for you.

Mr. Smith: Okay. No problem.

How far behind in the phase 2 builds and the modernizations are we?

Mr. Eggen: The phase 1 ones that aren't done are the Two Hills build and Booth Centre in Calgary.

Mr. Smith: Okay. So how far behind in the phase 2 builds and modernizations are we?

Mr. Eggen: Well, there are quite a number of those in there, so, I mean, I can certainly check . . .

Mr. Smith: Well, you know, you can get back to me about the actual numbers, but just in . . .

Mr. Eggen: Right. Yeah. That's a good point. I mean, as part of our overview and reconciliation of this we don't look at the phases; we just look at the totality of all of them. So we have 200 school projects out there, and, you know, we're not using the phase 1, 2, 3 differentiation. We've used the website to kind of focus those things centrally, and then the website is quite up to date, so everything is in there as it was. I mean, we do have some, you know, forensic capacity to see where they were in 1, 2, and 3 if you want us to go back like that, but that's the way we look at it now.

Mr. Smith: So you're no longer using the phase 1, 2, 3; you're just lumping them all together.

Mr. Eggen: That's right.

Mr. Smith: And the website – I won't bother doing that.

How many schools, then, will be built this year? Of the totality how many are you going to actually get done this year?

Mr. Eggen: I believe that by September we'll have 50, that are on track now. I mean, it goes between 48 and 50 based on, you know, this new, sort of up-to-date system that we are using. I was aiming last week for 48, but it looks like 50 this time around.

Mr. Smith: So that's new builds; that's not just modernizations.

Mr. Eggen: That's both.

Mr. Smith: That's both.

Mr. Eggen: Fifty projects altogether. Yeah.

Mr. Smith: Do we know how many are new builds versus modernizations?

Mr. Eggen: I can check that for you. Off the top of my head I'm thinking that it's 46 and four. Let me check. Forty-six new ones and four modernizations, but I'll check that for you.

Mr. Smith: Yeah. No problem. It's just kind of nice to know.

Mr. Eggen: Oh, yeah. It's very important to keep . . .

Mr. Smith: So they're on time, and they're on budget?

Mr. Eggen: Those ones, yeah. That's what I'm saying. They'll be in, you know, September, for the new school year. I mean, that's an important part of building schools as well because you have to plan, you have to decant if it's a new school, with people moving from one to another and so forth. Yeah. It'll be quite exciting. Certainly, as I've said, as part of working in our communities, at the schools, wherever they're built, if it's one with one of your MLAs in that area, then they're certainly welcome to come and cut the ribbon as well.

Mr. Smith: So that's approximately 50 by September out of the 232 that need to be built. So we're looking at approximately 180 going into the future. What are we looking at for timelines on them?

Mr. Eggen: Yeah. I mean, as I said, we saw about half of them being delayed at a certain time. You know, that's still where it is. I mean, they move around now, but about half of the projects are not on their original timeline. But if they have been bumped back, it's usually just by a number of months. Now, of course, because we have a longer building season here with the weather and we have more contractors available to us, we also see some of those delayed school timelines being bumped up.

Mr. Smith: Okay. Now, I guess my next question is just a little bit of hypothesizing, I guess, on my part, if that's the right word.

Mr. Eggen: Yeah. You bet.

Mr. Smith: We know that the demographics are probably changing in this province. You've put it at 1.3 per cent growth. I'm not sure that that's exactly what's going to happen. It's a bit of a guess, and I think we've established that already.

4:30

In light of some of the projections that actually question the continued growth, knowing that I've heard from significant rural school boards that their populations are actually going down, have you identified any school boards or any school builds, projects that maybe could be put on hold for now because the population growth isn't there and the need for them isn't there right now? Maybe in the future, but not right now.

Mr. Eggen: Yeah. Well, that's a very good point, and it's something that I have always asked my ministry and Infrastructure and the big school boards to monitor. It's actually Alberta Infrastructure building them, and then the big school boards do their own project management. We really over the whole province have a backlog where we do need another phase of schools to meet areas of growth, where some of these schools are over a hundred per cent capacity. Because we were so far behind with the school builds as well, you know, we haven't identified any places that now do not need the schools. Certainly, school boards give us their capital plans every year and then give us an examination of any changes that they have to their enrolment and their needs for schools. But, as I said, since we're in such a backlog situation, no school projects amongst those have come to my attention that are no longer needed.

Mr. Smith: Okay. You've talked about efficiencies in energy and building new schools, that they'll be more efficient from an energy perspective, and you've talked at one point in time throughout the course of this year about the fact that building costs are probably going to be going down, so you'll see some efficiencies there. What kind of efficiencies? What kind of numbers are we talking about based on, you know, what you at one point in time forecast that this would cost and what you believe it's actually going to cost now due to these efficiencies? And where's that money going to be spent? Or have you just not included it in this budget and said: we're going to put that money back into other programs in the government?

Mr. Eggen: Well, certainly, for the capital builds, you know, if we have projects coming in under what we had estimated that cost to be, then once we get the tenders, we make a calculation. Of course, for the whole system we're forwarding monies, not just in their totality, like the full cost of a school, but each piece along the way as they might need it. So if a tender, for example, is coming in lower, then we're only going to spend the money that we need – we're not going to spend more than that – and then we've realized savings. I mean, Edmonton public gave us a very nice little window on their last two projects that came in 23 per cent below what the estimated cost was going to be, which realized significant savings, which means we have to spend less money, basically.

Mr. Smith: Good stuff. You're not going to hear a Wildroser say that that's not a good idea. I guess you got to ask yourself then – I realize that those funds have been forwarded to Edmonton public, so they would keep those efficiencies?

Mr. Eggen: No.

Mr. Smith: Or does that go back to the ministry?

Mr. Eggen: We only forward them the monies that, you know, are required every stage along the way.

Mr. Smith: Okay. So what are you going to do with that, with those monies that you've saved, then?

Mr. Eggen: Well, we won't spend it. You know, then we get to not borrow that money, basically.

Mr. Smith: So how much did you save over the course of this past year, and how much do you anticipate this year?

Mr. Eggen: I can get back to you on that.

Mr. Smith: Okay.

Mr. Eggen: Yeah. It should be quite significant. I mean, we see it rolling in as it moves. You know, like I said, from those two schools that I've been using as examples, it looks quite promising. Once again it underlines the utility of building capital at this point in time – right? – because (a) we know that we need it and (b) we know that we can get a better deal for building those same capital projects.

Mr. Smith: Well, I guess this segues very nicely into a conversation that I had with a school board that was saying that it's not just the school build that's important. Often there are additional costs in staffing, in maintenance, in administrative costs, equipment and books and other things that go into a school. When they did the numbers, they estimated that it would cost an additional \$400,000 per school. Has the minister considered the costs associated with getting schools up and running once they were built, and would that be a place where he's considering spending?

Mr. Eggen: Built into the school project tender for a new school, 12 per cent of the total cost is earmarked for the interior hardware that's required to open the school, and then for a modernization it's about 6 per cent for those interior fixtures and so forth. So, yeah, we do calculate that in there.

Then just to your previous comment on the schools and looking for the numbers, I mean, we don't know until we get the tenders in to us how much in totality we save from the new economic circumstance out there with lower bids coming in for our school projects.

Mr. Smith: Okay. Thank you.

Mr. Eggen: You're welcome.

Mr. Smith: We're still going to stay on line 3.1 from the estimates. You've been in power now for a year. You know, obviously, at some point in time that means that you have to be accountable for the decisions that are made over that year. We know that you asked the Auditor General to report to you on the problems with the capital builds and that he came back with some pretty harsh criticisms on how we do the capital builds in this province. So what have you done as a result of the Auditor General report? We know that he was pretty critical, saying: "Listen. The Ministry of Education and the Ministry of Infrastructure simply don't have the capacity or the management ability to build this number of schools and to do it effectively and efficiently."

So what have you done to increase the accountability within the school build program? I guess, more specifically: what's been done within the ministries of Infrastructure and Education with regard to your support systems to actually improve the capital builds in this province? Could you describe what support systems were missing and what you've done to improve those support systems so that we can see that we're going to be building schools efficiently for taxpayers? We're really talking about project management here.

Mr. Eggen: Yes. Well, thank you for that question. Certainly, it was useful for the Auditor General's report to help clarify a systems approach that we could use to improve both the accounting and the monitoring of projects as they develop over time. We take responsibility for all of those things, you know, and his report helped us quite a lot. Perhaps one of the highlights that I thought was very helpful from the Auditor General was that it helped us to build our pay-as-you-go funding, so we are advancing funds to school authorities only when it's necessary. So we've seen savings from that, certainly.

Also, we have built many improvements for the monitoring and reporting of school capital projects. We accepted all of the Auditor General's advice on how to do this. We also brought in an auditing firm, a couple of them, to help build effectiveness as well. We are working very closely with Infrastructure and working very closely with the big school boards that administer their projects in Calgary and Edmonton. We believe that we have seen, you know, that the progress has been already quite marked. The implementation plan goes to July, so we will have that, and certainly you're welcome to look at each step of the way to see how we are improving.

4:40

Mr. Smith: Okay. Let's focus a little bit on the hiring of KPMG. You said there were two firms, or is it just one firm?

Mr. Eggen: The other one was – I guess they're now called EY. They used to be Ernst & Young.

Mr. Smith: Ernst & Young, EY. Okay.

I mean, the Auditor General was pretty clear that it's the Ministry of Education and the Ministry of Infrastructure that need to develop the capacity to be able to make these school builds happen in an efficient way. How is KPMG or Ernst & Young supposed to help the Ministry of Education and the Ministry of Infrastructure be more capable?

Mr. Eggen: Well, I guess the number one concern that I had was, you know, the reporting of information from each individual project coming to the relevant authorities – right? – including myself and the Infrastructure minister. So they have worked through a process. If you could sort of look at it in three or four different broad categories in regard to organization, in regard to the roles of the ministries along the way, and then developing the processes as well that allow us – what I've seen in terms of progress already is that we see reporting on a much more regular basis of where the projects are. If they do run into some difficulty, like hitting an unstable substrata or so forth, we're able to make adjustments to rectify that much quicker.

So, yeah, it is a formidable responsibility. But, as I said before to your questions, we recognize that we need these projects. Some of them are behind, you know, and we have to make sure that we're building them in the most efficient and timely way possible.

Mr. Smith: Can you maybe ...

The Chair: I would just like to interject and remind the member to keep the questions related to the estimates that we're here to discuss today.

Mr. Smith: Absolutely. We're talking about ...

The Chair: Just if you could tie it to the budget.

Mr. Smith: We are talking about the budget because we're talking about monies that are coming from this budget. I'm assuming that you're paying for KPMG out of the budget monies, Mr. Minister.

Mr. Eggen: Yeah, you bet. No, it's good. I mean, those are helpful. It's a big part of our – you know, if the totality of the budget ...

Mr. Smith: How much are you paying KPMG to do this?

Mr. Eggen: I can check that. Someone will check that for you.

Mr. Smith: Okay.

Mr. Eggen: Yeah, you bet.

Mr. Smith: When you made the decision to hire KPMG, was it before the Auditor General's findings were made public, or was it something that came from a recommendation from the ministries? Why were they hired? I mean, what was the timing?

Mr. Eggen: Yeah. It was in the interim, between, you know ...

Mr. Smith: So they weren't actually hired to fulfill the Auditor General's recommendations. They were hired in order to be able to fulfill a weakness that you had already identified.

Mr. Eggen: I would say both.

The number is \$430,000 that it costs to bring them in.

Mr. Smith: Okay. Was that something that was done in a series of contracts or just one?

Mr. Eggen: One.

Mr. Smith: One?

Mr. Eggen: Yeah.

Mr. Smith: So was this a sole-source contract?

Mr. Eggen: No.

Mr. Smith: Okay. So you tendered this out for bid?

Mr. Eggen: Yeah.

Mr. Smith: Okay. Thank you.

Let's see here. I guess we can go on to class size and class size funding, if it's appropriate, line 2.5.

Mr. Eggen: Sorry. Which line did you say?

Mr. Smith: Line 2.5 in the budget estimates.

Mr. Eggen: Okay. Thank you very much.

Mr. Smith: You know, Minister, if I could just maybe go back. I've got one more question that just came to my head here with KPMG if that's possible.

Mr. Eggen: Sure. Yeah.

Mr. Smith: Okay. So is KPMG consulting with school boards, or is KPMG – what exactly are they doing that is worth \$400,000 that the ministries of Education and Infrastructure couldn't do or that the school boards couldn't do? That's almost half a million. You know, that's a lot of money. Why are we spending that much money on something that should be able to be done by the Ministry of Infrastructure or the Ministry of Education?

Mr. Eggen: Well, you know, you consider the scale of the capital projects that we have going – right? – and then the timeliness to have those delivered as they should be. As you said, we did an RFP on it, looking for the most efficient bid for it. They are working on two different phases. One, they have the capital plan that they were working with us on and then, two, looking to build capacity in the field. As per your earlier comments around "Can and would Infrastructure and Education be capable of doing this?" I mean, that's part of what KPMG was able to help us to ascertain and do, right?

Mr. Smith: So are they seen as a stopgap measure, then, until you can get that capacity in the ministries of Infrastructure and Education, or is this going to be something that's going to be permanent and we're going to be spending this money for the next four or five years?

Mr. Eggen: No, because of course we won't be building 232 school projects again any time soon, hopefully. It's sort of working through an extraordinary circumstance that is, you know ...

The Chair: I apologize for the interruption, Minister, but the allotted time has expired.

I would now like to invite the member from the third-party opposition to speak. Would you like the timer set for 10 minutes to identify the halfway point?

Ms Jansen: That would be terrific. Thank you.

The Chair: Absolutely. Are you going to go back and forth with the minister?

Ms Jansen: We will be going back and forth. Thank you, Chair.

The Chair: Thank you. Go ahead.

Ms Jansen: Thank you, Minister Eggen, for the opportunity to throw some questions back and forth. Some of them may sound a bit repetitive, but certainly I'm looking forward to getting clarification on a few points, especially surrounding the carbon tax even though we have had some discussions about that.

Just to get into it really quickly, you've talked about the fact that there are no exemptions for school boards. Now, I've had an opportunity to talk to the chair of the CBE, and certainly last year I think they dealt with something in the neighbourhood of a \$6 million shortfall for their transportation funding. In the midst of working with that, you know, looking forward to when this levy kicks in – is it in January 2017?

Mr. Eggen: January 2017, yeah, so we have, you know, about eight months to work through.

Ms Jansen: Yeah. When you say "work through," I assume that calculations are being done carefully to determine where – you use the term "building efficiencies and finding efficiencies." It's a nice term. I don't know exactly what it means, though. When you sit down with the school boards and you talk about finding efficiencies, what exactly does that mean?

Mr. Eggen: Well, in regard to transportation certainly it's for that fuel in moving kids around. That's where you find the capacity for efficiency. You know, in regard to the building and renovation of schools, then it's looking for ways in which we can make those physical structures more efficient as well. From beginning to end I think school boards should recognize and do recognize that we will enter into this in a collaborative manner. Part of the next few months can give us a great opportunity to audit energy use in school boards so that they have a better sense of where they're at and where costs might be incurred. Then, of course, when you make adjustments – certainly, we would be looking for those same school boards and institutions to make application to the investments to help to make their physical structures and their transportation more efficient. Then in the end you do save money.

You know, another element, of course, of doing this sort of thing is that you do create a retooling, to some degree, of your buildings and your transportation.

Ms Jansen: Well, let's talk about that for a moment. You know, we talk about finding efficiencies, say, in a building. You have a situation where you're looking at new school builds, and we know, certainly, the CBE has almost, I think, maybe over a billion-dollar deferred maintenance budget. We know that our new schools are quite efficient. When you look at building a really efficient new school, how much input are you willing to have into it if the school boards need help getting to a place where they can actually really do that effectively? Are they doing that right now? Do you think they've got that covered?

4:50

Mr. Eggen: Sorry to interrupt. Yeah, to their credit, I think many school boards are doing so already, but when you talk to the plant supervisors and so forth – let's use CBE as an example – they probably already have some ideas on how they could realize further efficiencies. We want to encourage that. I mean, it doesn't have to be characterized as a punitive, one-way sort of thing, but through

collaboration and looking at ways that we can retool a given structure, let's say using some degree of solar panels or more efficient heating systems, then, you know ...

Ms Jansen: Sorry. I'm going to interrupt a bit ...

Mr. Eggen: Yeah. You go ahead. Feel free.

Ms Jansen: ... because I do have a lot of topics to skip around to.

Mr. Eggen: I understand. You bet.

Ms Jansen: How many schools use solar panels right now?

Mr. Eggen: I can check on that. There are not too many now.

Ms Jansen: So is that something you'd like to see more schools do?

Mr. Eggen: Oh, very much so, yes. I think that, you know, it's a great education opportunity as well. I mean, you're not going to power a whole school necessarily, but let's not forget that these structures sit idle in the summer, when the most sun is there, too, so you can have a net contribution back into the grid during those months.

Ms Jansen: When you say "reward efficiencies," you say that you have from now until the end of the year to look at how you can reward areas of efficiency, so if schools are willing to do things like solar panels or, you know, other measures that might make them more green and less dependent on the kinds of heating and cooling and HVAC costs that are going to ratchet up their bills, who, then, pays for that? Solar panels aren't free. I mean, obviously, there's a cost to that. When you say "reward efficiencies," does that mean you're willing to kick in some extra money for things like solar panels?

Mr. Eggen: Yes, absolutely. Potentially, yeah, that's the idea. I mean, over time we can look for – now we fund renovations and so forth, but with the carbon levy and the carbon leadership program to move that money back to have demonstrable change, especially on a school, I just think of the learning value of that sort of thing.

Ms Jansen: Well, the learning value is great, but right now if you have, say, a school and they're saying, "Wow, you know, let's slap up a bunch of solar panels; I like the idea of that," where in the budget is that allocated?

Mr. Eggen: Well, again, you know, it would be something where we would work from 2017, when we start collecting the carbon levy, and then look for ways to use that money.

Ms Jansen: So it's going to be carbon levy money that you would put into that?

Mr. Eggen: Yeah. That would be next year. We have \$140 million in our IMR funding this year, and we will be looking for targeted, specific ways to work with school boards. I mean, this is the start of a good conversation. We're not going to leave anybody out in the cold, which is an interesting metaphor in this regard, but we want to make sure that this can work for our schools, first and foremost, quite frankly.

Ms Jansen: Then for transportation, obviously, you know, when it comes to finding efficiencies, I'm just having a little trouble seeing what those efficiencies might be. I mean, can you give us an

example of where they're not applying efficiencies right now where they could be?

Mr. Eggen: Yeah. There's the old thing around making sure that each of our public and separate school boards work together on transportation. I mean, the degree to which that can be encouraged, maybe a little extra push with this carbon levy: then that would help as well.

Ms Jansen: Obviously, we've heard stories about half-empty buses heading up the road, both on the same route to a school, when they could be sharing those resources. When you say "a little extra push," what kind of little extra push are you going to give these school boards to get to the point where – you know, it hasn't been very successful so far – they're actually going to be willing to share those transportation measures?

Mr. Eggen: Right. A good point. Certainly, you have the proverbial carrots and sticks when you work with this. I mean, you know, you can save money, and that can be a carrot, or you can stick with the ways that you did before, and then it costs you more money. We certainly are looking at ways to be more assertive for schools boards to co-operate with their busing, and with the carbon levy that will give us a little extra incentive to do so.

Ms Jansen: I was speaking with some folks from West Yellowhead, and they had an interesting situation a number of years ago, where they actually managed to combine two different boards using one particular school.

Mr. Eggen: That's right.

Ms Jansen: You know, when you talk about finding efficiencies, is this something you're maybe going to talk to some of the boards about, when it comes to sharing resources that would be between boards as well?

Mr. Eggen: Yes. That's a very good idea. I mean, I certainly encourage that sort of co-operation. I know that there are certain physical limitations. We have some school boards that are the size of small European countries. They just have many thousands of kilometres to cover and that's it, right? You know, I want to make sure that we build something sustainable, and making reforms around energy doesn't have to be punitive by any means. The degree to which people can co-operate to allow efficiencies: we will encourage that.

Ms Jansen: I wanted to quickly just touch on this before I leave this topic; I don't have a lot more to ask. Certainly, for schools like charter schools, where they already have to deal with the cost of transportation themselves, would you consider at any point giving an allotment of transportation funding to charter schools so that they're able to absorb this? This is going to be, you know, a tough one for them, seeing as how they have really nothing in the way of a transportation budget.

Mr. Eggen: Right. Yeah, I want to be sympathetic to all institutions that have to make adjustments here. Certainly, this will be conversational and interactive, and I certainly will make sure that everyone is part of the conversation.

Ms Jansen: I want to move on to talk about the comprehensive sexual health education curriculum.

Mr. Eggen: Okay. Sure. Sorry; do you mind if I just chip in?

Ms Jansen: Sure.

Mr. Eggen: Mike just mentioned to me that charter schools do receive some transportation funding, for sure, so that's a starting point of that conversation that we can have, just like we have with the other school boards.

Ms Jansen: So you're willing to have, like, a supportive conversation about finding efficiencies for them as well perhaps?

Mr. Eggen: Absolutely.

Ms Jansen: Okay. Very good.

Moving on to the guiding framework of the planning for comprehensive sexual health education, for that curriculum, where are you in that effort?

Mr. Eggen: Well, we have been working with school boards and with my curriculum division to look for best practices in different jurisdictions that we can start working with. We have been working with individual school boards as well in regard to that same initiative. You know, we are looking to build that guiding framework – right? – to have that curriculum in place. I mean, we do have some accelerated initiatives around safety and so forth that I think are very important, and as well we are talking about interactive co-operation with Health, talking about STI education as well.

Ms Jansen: When you talk about, you know, rolling out a program like that, in terms of dollars, obviously, there is a cost attached to something like that, and then you have to clearly get the buy-in of all the different boards, which in itself, as we know, as we saw with the guidelines, can be a bit of a challenge. Have you looked at the idea or perhaps costed out or would be willing to cost out the idea of at least in part dealing with some of this curriculum development online so that it's going to be perhaps easier to get it out to rural and remote areas?

Mr. Eggen: I will take that under consideration. I think that's a very good idea. The curriculum application development is doing that globally, but specifically around some of the sensitivities, as you're sort of intimating, around sex education, that would be a clever way of doing it, quite frankly.

You know, I'm looking at every juncture with curriculum development, with a strong emphasis on online. This is why learning is taking place in the classroom in a much more accelerated way, I've noticed, especially with ELL students. They will take the class in class, like we used to do traditionally, and then perhaps do it again at night or do it again in a special-purpose time in a high school to make sure that they're learning in different ways. For sexual health, that would be included in our focus on online presence.

Ms Jansen: I think we have excellent groups, and you and I have talked about Calgary Sexual Health and the kind of work that they do. You know, I'm thinking about not only the quality of the work they do but the cost savings in being able to take some of that online, maybe do some videos and be able to make that available to kids. If you were to publicize it well – there are probably not too many kids in the province that don't have access to a computer – immediately there is the ability to democratize the dissemination of that information so that you can reach kids in every corner of the province. Certainly, it doesn't involve hiring a company to go physically into all those areas and do that education. You could do some great videos and make them available to kids online.

5:00

Mr. Eggen: Yes. Again, the degree to which we can be sensitive to choice, family choice and so forth, I mean, people can make those decisions around online information and access, too, right? We do have a responsibility as a society to have a degree of sexual health for all of our citizens as a public health issue and so forth. Yeah, your direction is very much noted. That's a great idea.

Ms Jansen: Okay. Excellent.

I want to quickly touch on some of outcome 4's priorities, which seem to be similar to what's being outlined in the priorities of the excellence in teaching panel. You know, I was lucky enough to take part in those discussions, and there were some really good things that I thought at the end of the day, when we talked about those concepts in the excellence in teaching panel, there is a cost value to them. For instance, when we talked about practicums, the idea of extending a practicum, we know that we lose teachers, and there is a huge cost in the fact that we lose so many teachers – is it 50 per cent? – within five years of them starting a teaching career.

Mr. Eggen: Yes.

Ms Jansen: If we had the opportunity to do some things like extending a practicum program beyond the current minimum of 10 weeks, it really gives a lot of those young teachers an opportunity to really figure out if that's where they want to be. Have you thought about some measures like that?

Mr. Eggen: Yes. I'm very sensitive to teacher retention. You know, we see a disturbingly higher number of teachers that choose to leave after five years. I believe that by working more closely with the postsecondary institutions that are producing teachers in our province, there are ways by which we can identify and perhaps provide more support for student teachers along the way.

I mean, obviously, we are beginning to enter our negotiating and collective agreements with the teachers, which is going quite well so far. But there is a whole universe of working conditions that we can work through. You know, part of it is the teachers' commitment to training that next generation of leaders along the way.

Ms Jansen: Well, and from that, you know, the internship and articling along with the practicums, the idea of the mandatory one-year paid internship, an articling program for all beginning teachers, gives them an opportunity to get out there and to do that work on completion of their teacher preparation program. Perhaps you can look at the idea of mentorship so that you have that support for teachers because the erosion of teachers from the system within five years is certainly a big issue and one that I think needs to be addressed in order for us to make sure that we're turning out teachers who are enthusiastic and want to be there.

Then I think another piece that I'm hoping that you consider – because at the end of the day this all comes back to making sure that we have great teachers in the schools for every kid in a classroom; they deserve to have that – is the idea of recognition and motivation for teachers. So if you're going into, obviously, your conversations with the ATA, it's the idea of perhaps a provincial designation to recognize teachers who consistently demonstrate a standard of excellence. Would you be willing to consider something like that?

Mr. Eggen: Yes, absolutely. The whole idea of master teachers and the mentoring that they can provide, the degree to which we can formalize that more – I mean, obviously, you have your different levels of student teaching that young teachers go through, but I think we could be flexible in how we might extend that. Some

schools have taken an initiative on this individually already using mentors, and the high school redesign program has helped some high schools to provide that time for more collaboration and meeting together with the new teachers and the more experienced ones to build that sense of collegiality and so forth. Of course, we are losing teachers. Young teachers are leaving. But it looks like some master teachers get elected, and then they disappear from the teaching scene as well.

Ms Jansen: It's true. It does happen.

Finally, with just a very short time left, when you take a look at the challenges that you're facing in your conversations with the ATA in terms of budget, what would you say is your largest one?

Mr. Eggen: You know, I don't want to compromise the negotiations as we're moving along, but we all recognize the importance of – I mean, there's a certain principle that we must understand that everything costs money, really, even if you talk about conditions over time or class size. Ultimately, it can result in more FTEs, which can result in more money, right? I think the complexity ...

The Chair: I apologize for the interruption, Minister, but the time for this section has expired.

I would now like to invite the independent member from the Alberta Party to speak for the next 20 minutes. Would you like the timer set for 10 minutes?

Mr. Clark: No, that's fine. I've got a timer here. Thank you.

The Chair: And would you like to go back and forth with the minister?

Mr. Clark: Back and forth with the minister if that's fine with him.

Mr. Eggen: Yeah.

Mr. Clark: Thank you, Madam Chair.

The Chair: Thank you. Go ahead.

Mr. Clark: Thank you, Mr. Minister. Thank you for your thoughtful answers so far. Also, thank you very much to your staff who are attending here with us today.

I'm going to focus most if not all of my questions on the Education business plan. Let's start at page 34 of the business plan, outcome 1, specifically key strategy 1.2, develop and implement online student learning assessments and diploma examinations. I'm curious where we are with SLAs versus PATs as my daughter in grade 6 gets prepared to take her PAT this year and my daughter in grade 3 is doing her SLA. I'm just curious. Is the plan to move to SLAs for all of 3, 6, and 9, or do PATs remain in place for 6 and 9? Can you speak to that, please?

Mr. Eggen: Yeah. At this point it is and it does. Certainly, I have been evaluating the utility of each form of exam. As you know, I was in discussions for the grade 3 SLAs last year and made it optional for school boards. It was interesting that almost every school board chose to do it anyway, which was good.

I mean, I want to make sure that standardized testing is meeting a number of needs, most of those being in the classroom – right? – for teachers to be able to use the evaluation and the results to help to build a coherent set of learning plans for kids as they move forward. You know, we are certainly carrying on with building the SLA framework, if we choose to use it, for grade 6 and grade 9. We will move forward as things become more clear.

Mr. Clark: Okay. Thank you.

Looking at key strategies 1.4 and 1.5, advancing efforts to align support for career planning, the optional career and technology foundations program of studies, this certainly is something I'm very interested in. As I tour schools in my constituency and elsewhere, I notice that in the many, many years it's been since I was in high school, these sorts of things seem to have taken root, and that's a very positive thing. I'm curious whether you could speak briefly to the alignment you have with the Minister of Advanced Education in aligning these sorts of programs to ensure that they're meeting the evolving needs of Alberta's workforce.

5:10

Mr. Eggen: Yes. This is an area that I have a particular interest in because the degree to which I can retain and graduate students I think is directly related to those same students' capacity to see where they can move and advance themselves into postsecondary, right? People are more motivated to be successful and to complete high school if they have a goal in mind that moves past. You know, some of these projects that we have available to us in regard to, let's say, dual credit, for example, which allows students to have a college program that's offered to them in the high school, I think really help to set that stage so that people can feel like (a) the efforts they're putting into high school are relevant because it's giving them that college credit. Then, also, it guides certain students to postsecondary when they might not go otherwise because maybe it's just not a tradition in their family or it's just not something that they conceive of, to go to a postsecondary.

You know, for a lot of these smaller colleges I think it's a way for us to keep them vital, like in Fairview or Keyano or Olds and so forth. Dual credit can help to keep that door open for kids in the area to consider going to college. So the new Advanced Education minister and myself – I guess he's not that new anymore – have been working together to look for creative ways to make an investment in this. It's not cheap, but I mean, if they can get someone to go to college and finish high school, it's worth it.

Mr. Clark: Yeah. Absolutely.

I'm going to dive a little bit more into high school completion, but first I just want to make a comment and ask a question about the way performance measures themselves are reported. We had a bit of a difficult time in having to crack open Budget 2015 to make any sort comparison back to back. What I would ask then, please – and I've reminded myself to ask you another question here through this – is that instead of simply reporting last actual, it would be great if you could also report that actual versus what the last year's target was. It's quite difficult. It involves some flipping back and forth between binders, so it would be nice to know what target you were trying to hit last year versus what you actually did. I think it would be very helpful, hence the request.

Mr. Eggen: Yeah. That's a good point. Certainly, we could accommodate that. I know exactly what you mean about flipping back and forth.

Again, it's a very important way by which we use these standardized tests to see where we're at. I mean, it's a benchmark in sort of a moment in time. You know, over a period of five or even eight or 10 years we can start to see a trend in regard to our students' performance in numeracy and literacy and so forth and make adjustments to our teaching and curriculum.

Mr. Clark: Yeah. They're very important. There's a lot we could – I wish I had more time.

I'd like to look specifically at 1(e), high school completion within five years of entering grade 10. Those numbers are actually

frighteningly low. I do understand that the numbers are up perhaps. You know, when I ask people, "How many students do you think graduate within five years of starting grade 10?" or I guess if I ask, "How many do you think graduate high school?" I'm often very surprised to find out that nearly 20 per cent of Alberta students don't graduate within five years. That's quite a remarkable number. Could you speak to that, some strategies that you have in place – as briefly as possible; I do have a bunch of questions here – what specific strategies you've employed to ensure that those numbers continue to go up and that we actually hit the increase in targets?

Mr. Eggen: Yes. Well, thank you. I mean, like I said before, one is to target the place where you can realize the greatest gain. I believe that our FNMI graduation rates are challenging, so we are looking for a very targeted approach on that, with a significant amount of money over time to focus on improving FNMI results. You know, as I've talked about before, the dual credit program is something that I think can help us improve those numbers. High school redesign I think has a lot of potential because it allows more teachers to make decisions about how they can focus in on kids and individual subjects that might be needed to improve graduation rates. And then, of course, just the more global choices we made around funding for enrolment and growth so that the schools still in all levels have the teachers and the resources that they deserve.

Mr. Clark: All right. Continuing on, then, to 1(i), I noticed the targets for agreement of students and parents that students are engaged in learning at their school have been revised downward 2 per cent from Budget 2015. Those numbers were 85 per cent in '16-17 and 86 per cent in '17-18. I'm just curious if you could speak to why those – all other targets are really almost identical if not very, very similar. Can you speak to why those have been revised downwards and why we're having troubles achieving higher numbers?

Mr. Eggen: I will certainly endeavour to answer that for you. I can't just give it off the top right now. Yeah, I can get you that information.

Mr. Clark: All right. I'm going to keep on that theme and jump ahead two pages to 38, desired outcome 4, performance measure 4(b): satisfaction of parents, teachers, and school board members that education leadership effectively supports and facilitates teaching and learning. It's quite remarkable that nearly a third, 30 per cent or so, of those folks surveyed – the last actual was almost exactly a third; targets are a little higher for '16-17 and beyond – feel that education leadership does not effectively support and facilitate teaching and learning. That's quite a troubling number. I'm wondering if you could speak to that, please, and tell me what strategy, specifically, you and your department are undertaking to address those concerns and fill that gap.

Mr. Eggen: Yes. Well, thank you. I share your concern around that. We do see some progress, but I think it's important for us to focus on school leadership and board leadership to set standards for that, so I am endeavouring to expand on that to build standards for school leadership at the principal/vice-principal level. Also, I'm interested in helping to train and educate at a school board level, too, to make sure that everyone understands the responsibilities that they've undertaken as elected officials at that level. It's something that I'm interested in and willing to explore in a collaborative, organic way with boards to support them in the best way possible. You know, we work with CASS, which is the superintendent association, in regard to that higher leadership level and then with the Alberta Teachers' Association, that represents the leaders at the school level.

Mr. Clark: Okay. I'm going to jump ahead now just to the next page, to performance measure 5(a): satisfaction of students, parents, teachers, school board members, and the public that their input is considered, respected, and valued by the school, jurisdiction, and province. These numbers are even more troubling. We have nearly 40 per cent – the last actual was more than 40 per cent – of people disagreeing with that, and nearly 40 per cent is our target. That's, again, quite remarkable, that the public and all of the major stakeholders within the system do not feel that their input is considered, respected, and valued. Combine that with the feeling that education leadership does not effectively support and facilitate teaching and learning. My question is: in addition to what are you going to do to address 5(a), do you feel that there's a culture problem?

I wanted to say, Mr. Minister, that I feel that your approach and attitude and leadership on a variety of files in a large and complex education system – I would love to see more of your style across the entire government, frankly, because I think you're focused, on task, and I think that you deserve praise for that. These are very troubling numbers, and I'd like, please, if you could speak to what you think needs to be done and what changes need to be made.

Mr. Eggen: I concur as well. It's one of those biggest concerns that I had as they're outlined specifically in these numbers but also, you know, thinking back to my own experiences as a teacher and a parent – right? – my kids going to schools here in Alberta, too. I think that the degree to which we can empower our teachers – you notice that teachers are included in this group, right? – for them to feel as though they have more of a say and a contribution to the school and the curriculum which they are responsible for, the degree to which we can open those doors to more interaction as equals between the school councils and School Councils' Association and so forth as well: I think that can really help.

I mean, it's going to take time, for sure, right? That's why we'll need a second term in office, for sure, to make sure that people understand that that is an honest and sincere and long-standing invitation to interact with our schools as equals, right? We carry always a lot of baggage with us from our own school experience and so forth that has to be counteracted. In this day and age we have to make sure that we remind everybody in this province what a great thing we have in our Alberta education system and that it is really there for them to interact with and is sensitive to their needs.

5:20

Mr. Clark: Thank you. I do encourage you, please, to make this imperative within your ministry. As a parent as well I think that faith in the system is very important.

Mr. Eggen: Yeah. At the end of the day, that's one of the only currencies we have, right? It's trust.

Mr. Clark: I'm going to jump to desired outcome 2. I'm really encouraged by the focus of your ministry and the entire government on repairing relationships with First Nations, Métis, and Inuit communities, indigenous communities in our province. The goal to eliminate the achievement gap between First Nations, Métis, and Inuit students and all other students is a laudable and remarkable goal, but I also noticed that the key strategies under desired outcome 2 have changed substantially from Budget '15, just last fall, to Budget '16. I wonder if you could speak, please, as to why those priority initiatives have changed so much and what sort of progress you're making there and what challenges you're finding and do so as briefly as possible.

Thank you.

Mr. Eggen: Yeah. For sure. I mean, it's changed. We have the dedicated division in our department on FNMI education outcomes. That's the first part of it here. Sorry. I was just a bit slow on the uptake here. Also, you know, we are setting quite aggressive performance measures in regard to all of these numbers. We went into building this plan with the idea categorically that our performance measures in all ways should not be differentiated, really, between students regardless of where they're coming from, right? That's going to be very ambitious, but it's a guiding principle that we should start from in all ways if we are going to actually realize improvements to completion rates for FNMI students, reduced dropout rates, and so forth. We have a dedicated division of our ministry now, which is significantly funded, and we have, again, very aggressive target ambitions for FNMI students.

Mr. Clark: Good. Thank you.

I want to just point out one specific performance measure, 2(f), the agreement of Métis, Inuit, and First Nations students and their parents that they're engaged in learning. Those numbers are quite good, actually, and very comparable, within a percent or 2 of the similar 1(i) performance measure, yet the rest of the outcomes are quite substantially lower. I'm just curious if you could give me any insight you have as to why that may be and if there are any clues in there in terms of how, perhaps, we can improve outcomes. Is that something that your department has given some thought to?

Mr. Eggen: Yes. I mean, certainly, we've given a lot of thought to it. You know, we want to make sure that we set aggressive goals that we can achieve, right? I insisted that we set the bar very high. As you know, we have developed that first independent division for our ministry. As well, we are engaging in a very aggressive movement to reinstate and reinvigorate Northland school division. We are looking for ways to make sure that we target having more FNMI teachers and administrators in the schools. We want to work across ministries as well to include Health and Human Services programs.

Mr. Clark: Thank you, Minister. I apologize for cutting you off. I have two minutes left.

Mr. Eggen: Okay. I'm sorry. Yeah.

Mr. Clark: I want to go then, please, to the fiscal plan tables, page 123, which talks about the full-time equivalents. I want to unpack some of the staffing numbers. This is where certificated staff have increased from budget '15-16 to '16-17 by 734. That's a 1 per cent increase versus what you've said is the 1.3 per cent population growth. Interestingly, noncertificated staff have grown by more than a thousand, which is 4.3 per cent. I'm curious, please, if you can tell me the difference between these two and why noncertificated staff have gone up so much, both in exceedance of population growth.

Mr. Eggen: I can probably detail that a little bit more for you after because I know your time is tight. I can say that, you know, we made that investment for enrolment growth, right? Also, that just didn't get realized in new teachers but in more noncertificated staff as well: teachers' aides, classroom support, and so forth. It all was funded more aggressively. I mean, school boards made those decisions ultimately. I don't tell them where to spend the money. I made very strong suggestions that they should spend it in the classroom with staff to interact with kids, and they made those choices.

Mr. Clark: Okay. I just want to ask for a quick update on the guidelines for best practices. I had a couple of educators come and ask about the guideline prohibition to inform parents or, at least, that concern. I have to say that I'm very supportive of the guidelines. I'm very supportive of the approach you've taken, but parents have asked me and educators have asked me, especially at the elementary level, how you will address that particular concern.

The Chair: Hon. member, I'd ask that you tie your question to the budget.

Mr. Clark: This definitely has to do with the budget. We're out of time here.

Mr. Eggen: Sure. You know, that's fine. I'm always happy to answer questions. I mean, it's a very sensitive issue around very extraordinary circumstances. Just like any other decision we make in a school, it's the teachers and the parents and the social workers who make those decisions on a school basis.

Mr. Clark: We'll talk more after. Thank you.

Mr. Eggen: We can talk more about it later.

The Chair: I apologize for the interruption. The time has expired.

I would now like to invite members of the government caucus. You have 20 minutes. Would you like the time set for 10-minute intervals?

Ms Luff: What I'd like to do right now, if it's possible, Madam Chair, is cede five minutes of our time to allow everyone to have a break.

The Chair: Okay. We will set the timer for 5 minutes. Thank you.

Ms Luff: Thank you.

[The committee adjourned from 5:27 p.m. to 5:32 p.m.]

The Chair: Thank you very much.

I would now like to invite the government caucus to ask their questions. Are you going to be going back and forth with the minister?

Ms Luff: Yeah, back and forth, and it'll be myself and MLA Horne.

The Chair: Thank you. Go ahead.

Ms Luff: Sure. Minister, thanks very much for being here today and to all your staff. We very much appreciate it. I just want to say that families in my constituency are very relieved. Folks from school boards I've talked to, folks from charter schools I've talked to have all been very relieved to see that Budget 2016 supports everyone by providing stable funding for education and fully funding enrolment growth. However, I do also have concerns from constituents who talked to me about making sure that the money is being spent effectively.

Outcome 5 on page 39 of the ministry business plan is to have a well-governed and -managed education system. I'm just wondering if the minister could elaborate a little bit on how key strategy 5.3, which is improving the alignment between education funding and system outcomes, will be achieved.

Mr. Eggen: Well, thank you so much for the question. Yeah. I certainly enjoyed spending time with your charter school, Almadina. They are super enthusiastic, and, you know, I like the

way they look after their kids. Their outcomes are amazing, too, right? So good for you for having that school in your constituency.

You know, with our consolidated operating expense at \$7.9 billion plus our capital at \$1.9 billion, it's a lot of money, right? So we want to make sure that we are building something that provides the utility of meeting their needs but is also accountable as well.

You mentioned strategy 5.3, I believe, right? You know, we have our base instruction grant, and then we have 24 other differential and targeted grants that we use to help focus the money where we need to, right? Certainly, we recognize that it's important to have differential funding for specific areas so that schools and school boards can make those decisions and choices to improve their student outcomes. You know, I think that each year – well, I've only done this twice, but we've already made some adjustments to make sure that money is being spent in the classroom, for example, and that we are having those different, specific classroom supports available with, like I say, some of that differentiated funding for ELL and so forth and special-needs students, that can help to realize real progress in each student's education.

Ms Luff: Thank you.

Mr. Horne: Thank you, Minister, and thank you to all of your staff for being here. I'm really encouraged to see that outcome 2 of the ministry business plan on page 36 . . .

Mr. Eggen: Page – just hang on a second. Yeah. Go ahead.

Mr. Horne: Outcome 2 shows a firm commitment to First Nation, Métis, and Inuit learners. This is certainly important to me as a member of the Métis nation. This commitment is matched by a \$16 million funding increase. Can you provide the committee with some examples of how this funding will ensure that indigenous students have the specific supports they need?

Mr. Eggen: Yes, certainly, I can. I mean, there's a whole range of things that we're trying to achieve here. The funding of \$28 million is to strengthen relationships between provincial school authorities and First Nations. You know, what I noticed – the hon. Member for Calgary-Elbow pointed this out, and I think it's very true – is that when you approach these relationships with different groups as equals, then you achieve better results, so by working with First Nations and our schools and school boards in proximity to First Nations and Métis settlements, we can develop these collaborative relationships that I think can bear some fruit. The Kee Tas Kee Now agreement that we started with here a couple of months ago: I think that if it works, then we can replicate that in other areas.

We are also trying to have co-ordination of supports and services for First Nation and Métis and Inuit students, working with other ministries to have a co-ordinated approach and have some of those services available at the school. I'm seeing that in a number of schools, where it's very successful. It helps to encourage people to come to school, quite frankly, if you know that you can have nutrition and health and social service support there along with your education.

As well, I'm really interested in developing more professional learning for teachers around learning about First Nations and Métis and Inuit sensitivities – right? – so that they can speak in an educated way about the issues facing students and the culture from which they're coming. Looking for more FNMI teachers as well in the profession, I think, is really important. And administrators, too: think of Northland school division having some targeted way to train and to encourage FNMI administrators to be there and to stay in those schools.

We're trying to build collaboration and capacity in education grant programs for sort of extending the existing delivery service grants that we have for First Nations students. We're supposed to be, I guess, working with the feds here. I think it's a bit of a historic opportunity. They've made substantive promises in regard to First Nation education and support in the last federal election, and I think now is the time to strike and really move forward on that, too. So many First Nations were sort of once burnt, twice shy by accepting more provincial support. They thought that the feds would just reduce their support, but we've got it coming and going now, where I think that that's less likely to happen.

You know, at the end of the day I don't want to be responsible for some students, just because they happen to live on a federal reserve, having, like, half the funding for education that another student on the other side of an imaginary line might receive. I mean, that's just not equitable, and it goes against not just best practices but against moral principle.

5:40

Ms Luff: I'd just like to ask about inclusive education a little bit. I know it's an extremely valuable thing to have inclusive education in the classrooms, to make sure that we're dealing with learning for every single student who's in our classrooms. Although I do know how valuable having an inclusive education framework is, I know that it can also be very challenging for teachers given that sometimes they don't have the supports necessary to provide quality inclusive education. I did notice that line 2.6 on page 80 of the estimates shows that you've increased funding for inclusive education about \$12 million in this budget. I'm just wondering if you could let us know how this expenditure will help with providing inclusive education in our classrooms.

Mr. Eggen: Sure. Thank you. I know that you share the same experiences I do as a classroom teacher, you know, having inclusion without supports and how frustrating that can be. I know as well that we need to continue to move in this direction more. This budget sort of points in the right direction, but certainly we could be more substantive in trying to help with inclusive education. This is an increase of about 2.9 per cent. We want to not discriminate with the students based on their ability or disability, language, culture, background, sexual orientation, gender expression or identity, age.

I mean, these are general principles. When we apply them more specifically to inclusive education, there are lots of things that we do. You know, we use the calculation based on 23 per cent of the funding, based on indicators that predict the number of children with diverse needs and that contribute to the higher cost of delivering supports, and then the rest, the 77 per cent of the funding, is distributed based on enrolment. As we move forward, I think I've noticed just after one year that we need to communicate more fully with families, with students that do have special needs to ensure that they are getting at least the direction of full inclusion, you know, the spirit of that and then, of course, too, that substance as we move forward as a government.

Ms Luff: Talking a little bit more about inclusion in general, I was wondering if you could maybe explain to the committee in some tangible ways the way that the ministry is working with schools to implement key strategy 3.3, which is on page 37, fostering welcoming, caring, respectful, and safe learning environments for all of our students.

Mr. Eggen: Yeah, for sure. You know, there are lots of tools and resources that are available through the hard work of school boards in the past and the ministry in the past as well, building on those best practices that we've seen. Safe and caring schools is a general

concept that helps to foster more specific programs like bullying prevention, mental health initiatives. We have quite a comprehensive mental health paper, that's come from Health, that we need to start acting on as soon as we can. We know that addiction reduction is sort of the first point of contact, I think, for that paper, but there's a whole universe of things that we will seek to employ, talking about trauma and working with different emotional circumstances, having the professionals in place that can deal with those things.

You know, the whole notion of peer support networks has evolved tremendously since I was last teaching full-time. Of course, the utility and the value of gay-straight and queer-straight alliances: we're seeing that just really growing substantially. You know, a lot of people have to remember that it's a gay-straight, queer-straight alliance, too, right? One of the great things that I've seen in schools is how straight kids are supporting their friends. The whole education idea about LGBTQ: it's not just a logical thing; it's an emotional thing that helps, when you do it properly in a school, to build that cohesive unit, that alliance between all students, recognizing individual differences and celebrating those differences.

Working specifically with social services and Human Services, trying to, you know, look for supports for families in crisis: I mean, we do know that this economic downturn has put more pressure on families and kids from economic problems outside of school, and we have to be sensitive towards those things.

You know, we have been updating and augmenting some of the elements of the School Act to help to educate people around codes of conduct, information for school staff, and build education and sensitivity around cultural differences, different gender expressions, and so forth.

Ms Luff: Thank you. Yeah, I think that when you talk to kids in schools these days, you can tell that they really get it, right? They understand the supports and the different things that we're doing.

Mr. Eggen: Yeah, more so than ever. You know, certainly, of course, because we are in a budget discussion here, we have to put not just words on paper but money in to help educate our population – our teachers, our school board members sometimes, our parents, and kids – around issues of equality and social justice. It's not like you succeed, like you sort of win that and move on. It's always a tension that exists that we have to be conscious of and that we support financially.

Ms Luff: Yeah. For sure.

I did notice – and I had seen this in, you know, the media and things like that – that there's a new option. On page 34 key strategy 1.5 talks about a new optional career and technology program of studies. I know that not all schools have options for different CTS. I know the school that I was in didn't have the facilities available, unfortunately. We had some great extra programs . . .

The Chair: I apologize for the interruption, but your time has expired.

I would now like to invite the Official Opposition for their 10 minutes. Would you like to go back and forth with the minister?

Mr. Smith: Yes, please.

The Chair: Absolutely. Go ahead.

Mr. Smith: If that's okay with the minister, again we'll go back and forth.

Mr. Eggen: Yes, of course.

Mr. Smith: Okay. I want to spend a little bit of time on line 2.5 in the budget estimates. It's the class size initiative. I believe that the class size funding is a per-student grant based on K to 3 enrolment . . .

Mr. Eggen: Yeah.

Mr. Smith: . . . and that you've put in \$287 million for the coming school year.

Mr. Eggen: Yeah. That's right.

Mr. Smith: Okay. I believe it started around 2004. We've spent, I was surprised to find out, like, \$2.7 billion since about 2004 on the small class size initiative. I guess that if I get to the real question that I've got here, it is this. I asked you a question in the last budget estimates around this issue, and it came back to me as a written question.

Mr. Eggen: Oh, yeah. Okay.

Mr. Smith: In the written question you said that in the 2014-2015 school year provincial class size averages were below the recommended guidelines in all grade groupings except for K to 3. The focus of the initiative is on K to grade 3, where small class sizes make the most difference. So the small class size initiative is based on K through 3 funding. It's designed to keep classes small in K through 3, correct?

Mr. Eggen: Yeah.

Mr. Smith: Yet when I take a look here, it kept them lower except in K through 3. I guess my question is: how can we spend \$286 million this year to keep small class sizes in K to 3 when we haven't done it in the past, and how are we going to show that we're going to do it in the future?

5:50

Mr. Eggen: That's a very good question, and it's always that issue around the choices that individual school boards make around the funding that they have. Yes, the emphasis is for K to 3 class sizes. It certainly doesn't preclude the fact that we have reduced those class sizes or that they've kept them down based on part of the funding from this initiative. However, I think that, you know, we should redouble our efforts to encourage school boards to make that focus. We know that the best learning outcome dollar in, dollar out is from investing in basic literacy and numeracy skills in those same first three years of kids' school life, right? I think that that's a focus we should have.

Point well taken. I believe that it's money well spent. I mean, don't forget that that's over a 12-year period. We've seen some progress around class size averages, but you're right; I think there's room for improvement in K to 3.

Mr. Smith: Is there not a possibility that we could just make this targeted funding and, boom, it has to go there?

Mr. Eggen: I wouldn't preclude that possibility. However, you know, it's just looking for ways in the tension between our initiatives and suggestions and the autonomy of schools boards to make their decisions. Thank you. That's a point well taken.

Mr. Smith: Well, at the end of the day, for me, I guess, I look at it and go: the research tells us that it's best spent at K through 3, but there are other things that we need to probably consider with regard to that. It's not just small class sizes. I think the current literature

also tells us that it's what teachers are able to do with those fewer numbers.

Mr. Eggen: Yes. That's right. It's interesting – again, there's a whole body of research – that as you move up through the grades, the class size factor in effective learning and teaching goes down quite a lot to a certain point, right? I think that's something I've always been thinking about in those higher grades.

Mr. Smith: I guess one of the things that I would ask you to consider, at least, is not only to ensure that those funds actually get into K through 3, which they're obviously not, but that if they're not going to get there – either don't spend the money, because that's what it should be targeted for, or ensure that it gets there. Then make sure that you're providing the professional development and the resources that the teachers are going to need in order to make that small class size truly an effective way of making sure that our kids are learning and engaged.

Mr. Eggen: Yeah. Point taken. That's a fairly good analysis. I mean, you know, we have to remind everyone that those monies are keeping lower class sizes in K to 3. It's not as though it's not going there, but we're perhaps not seeing the same ratio as we might like.

Mr. Smith: Okay. I want to spend just a couple of minutes here on private schools and ECS operators, line 4.1.

Mr. Eggen: Which line is that, sir?

Mr. Smith: Line 4.1.

Mr. Eggen: Thank you.

Mr. Smith: Now, you've allocated about \$155 million to independent schools, and it was encouraging yesterday to see the House unanimously vote to support Motion 504. Yet in some of my conversations with educational stakeholders across the province there seems to be a push. As a matter of fact, I've spoken to some trustees that have said: within two years we will have this defunded. Now, I know that people can say anything – it's a free world out there, and people have the ability to have their own opinions – but they're pushing very hard to try to defund these alternatives. So even though you've included the funding for this year for independent schools – and it could be my bad memory here; I'm not sure – have you really made a commitment to fund fully, to the degree that we have traditionally, independent school authorities while you are in government as the Minister of Education?

Mr. Eggen: Well, certainly, as I said, we've made the decision to carry on with the funding of private schools, and that's, I think, a fairly good indication of where we're at. I mean, we've built budgets that demonstrate stability and security for people to know. You know, I have no intention as a minister to change the private school funding formula for that part of our education system. Again, people can keep asking me: what's going to happen? I had someone ask me: are you going to move forward to ensure the integrity of separate schools? They've been around for 150 years, and she asked me: so are we good for another 150 years?

Mr. Smith: You will be a very old Minister of Education.

Mr. Eggen: I said: well, I don't know because I won't be around then.

You know, we build the budgets with the purpose of sending fairly clear indications of what we're doing. I have no intentions of

changing the formula for private schools or for the funding of private schools and charter schools and home-schooling.

Mr. Smith: Okay. I guess I want to skip to or twist or redirect this a little bit when we're talking about independent home-schools. Are you aware of a problem in your ministry? I'm hearing from people and receiving e-mails complaining that for home-school programs individuals and parents are not being reimbursed for bills that they've been putting in that they've been approved for by this ministry for many years. It's panicking families, quite honestly.

According to reports from independent schools' home program administrators these programs are being subject to unfair and arbitrary audits that are much more onerous than those for public home-school programs. In addition to the regularly scheduled audits, held once every three years, independent home-school programs are subject to desk audits. These random audits apparently are used to justify student funding, and they can happen every year. That is in contrast to the audits for public home-school programs, that may not be audited in a long time.

We'll come back to that, okay?

The Chair: Thank you, hon. member.

I'd now like to open the floor to the third-party opposition. Would you like to go back and forth for your 10 minutes?

Ms Jansen: Back and forth would be great. Thank you, Chair.

The Chair: Thank you.

Ms Jansen: I want to spend a little bit of time talking about school builds. I know that this overlaps with Infrastructure, but I think that it's an interesting conversation in the sense that, certainly, for my constituency of Calgary-North West schools are going to fit for a particular period of time. The demographic is going to change, and as they change, this is an ongoing struggle: does the school fit anymore? I think it's been said in the past that certainly at times we've had enough schools in the province but that we just needed to put them on wheels and move them around. It would have been wonderful if we could have done that.

I think that, going forward, though, we have an opportunity to look at the school build and say: is it possible to start creating schools by not looking so much at the idea of a school build as a really permanent thing but as a building that is perhaps more adaptable? We can look at, for instance, in my community, with an aging population of kids, a school that's K to 4, which is the perfect fit right now. Maybe a better fit is K to 6 as those kids get older, and maybe you can take some of those schools and look at making them 5 to 9. In order to do so, you do really have to change a lot within the school.

I think it would be great to be able to have a conversation about what a really adaptable school in the future is going to look like. For communities like mine, certainly, we've got a lot of younger kids and families having at least three children, which is something that, you know, we didn't see 10 years ago. The idea of an adaptable school, not just adaptable in the sense of age but adaptable in the sense that – you know, in Calgary-North West we could have really used a community centre and an extra pool, so if we have the opportunity to create school environments that take into account more than just a school, a building that really focuses on fitting the needs of the community: is that something that you've had discussions with Infrastructure about?

6:00

Mr. Eggen: Yes, I certainly have. You know, while most of the 232 existing projects have their plans in place, I think that a lot of school

boards chose some very adaptive and innovative plans even within those schools that we're building, right? I mean, the modular concept is very good, and I've suggested that we can add on to that or be even more aggressive in that regard so the school can expand and shrink with the population.

As well, I guess, an innovation that we have put forward here as the new government is that by not having these as P3 structures, it allows us more latitude with our ability to use the buildings as we see fit – right? – because some of the P3 contracts would restrict people from using the buildings after hours and stuff like that.

I think that in the next phase of builds, for which I have more control over the plans and so forth in conjunction with the cities, with the communities, with community leagues, we can really expand on best practices, which allowed some schools to be built with recreation centres in proximity or even as part of the same structure, hockey rinks, libraries, even some seniors' complexes, you know, building together. I had one suggestion to build a junior high school with the fire hall together, but I thought that that would make an already very sensitive time in children's lives be exacerbated by the fire alarm going off every hour or so.

Yeah, it's a great idea. Sometimes it saves money, not always. But it certainly creates that sense of a hub and a sense of civic pride to see those public structures in close proximity to each other.

Ms Jansen: Certainly, in addition to that, not just the after-hours piece but the idea of being able to incorporate more daycare into school spaces. You know, I've talked to a lot of parents in my communities where they have three kids and two of them are school age and one of them is young, and they would make very good use of the idea of a daycare space within the school. Now, I know that in some areas they've done that, and the daycare always gets chased out as the school fills up. It seems to be the first thing that goes. I'm wondering if there is an opportunity for you to have that conversation about being able to make sure that there is an allotment. I mean, one of the things I hear so much from working families in my community is that access to affordable daycare is something that's hugely important to them.

Mr. Eggen: Yeah. I've had that exact same experience and conversation. Of course, you build the school and it's overfilled the day you open it, and the daycare and sometimes even the photocopy room and the staff room become classrooms as well. So if we have some provision for a dedicated daycare in the structure or in immediate proximity to the structure, yeah, that makes people's lives a lot easier.

You know, we would like to fulfill our ambitions for child care as part of our provincial plan. Of course, what better place to do it than the school?

Ms Jansen: I want to touch really quickly on your nutrition program, your school program which is going to be piloted. Has it started already?

Mr. Eggen: We're doing the groundwork for it right now. This year we're going to fund it from our existing budget. I think that about \$2.5 million is what we thought we could start with. My officials have been moving around, looking for best practices in different jurisdictions. I mean, we already have quite a lot of school nutrition programs out there, so I want to try to piggyback on them and learn from them. But in the next fiscal plan, in 2018, we do dedicate monies to the tune of \$10 million and then \$20 million in 2018-19 to make it more substantive.

Ms Jansen: How are you coming up with those numbers? I'm just curious because, obviously, you know, to double it from the 2017-

18 budget to the 2018-19 budget is a sizable increase. That's an extra \$10 million. How did you come up with that figure?

Mr. Eggen: Well, you know, we thought that this year the pilots could give us a model that might work or what not to do, perhaps, but we recognize that there is a need out there and that you do have demonstrable improved student outcomes by having nutrition programs in certain schools. We did want to follow the ambition, of course, for us to build a much wider school nutrition program. Obviously, we got bumped back a year here due to economic circumstances, but we thought that that would reflect that the \$20 million was estimated to be able to feed or have a meal program of some kind for about 8 per cent of the K to 6 population in the whole province.

Ms Jansen: Eight per cent?

Mr. Eggen: Yeah, 8 per cent with \$20 million.

Ms Jansen: When you launch into this pilot project, at what point are you going to do an evaluation of its efficacy? And is that information going to be public?

Mr. Eggen: Absolutely. We will evaluate as we go and be glad to share that with you.

Ms Jansen: What are the areas that you would primarily focus on? Geographically is it spread out across the entire province? Are you looking at doing pilot projects in specific cities?

Mr. Eggen: Yeah. I've instructed our ministry to look at different ways to ensure that we have some geographic equity. It'll help us to provide some information, let's say, between northern and southern Alberta. You know, \$2.5 million will buy us a lot, but we'll try some different things in different parts of the province. I've gone out myself even, looking at existing programs: the brown bag program in Calgary is very good, successful; Meals on Wheels in Edmonton and Calgary. Lots of people have expressed a tremendous interest in providing us these contracts because they do it and they know how.

Ms Jansen: You're looking at the idea of going from 8 per cent. Are you looking at growing that? Did you have a percentage in mind?

Mr. Eggen: We're aiming over time for 20 per cent of the K to 6 population, which is \$60 million.

Ms Jansen: Which is \$60 million?

Mr. Eggen: Yes.

Ms Jansen: Okay. Very good. Thank you.

Mr. Eggen: Thanks for your questions.

The Chair: Thank you.

As there are no independent or other members present, we will now go on to the government caucus for your 10 minutes. Would you like to go back and forth with the minister?

Mr. Horne: If that's still okay with the minister.

Mr. Eggen: Whichever way you want to do it. Yeah, that's great.

Mr. Horne: Okay.

The Chair: Go ahead.

Mr. Horne: Minister, in Budget 2016 there's a renewed government commitment to provide stable funding for key public services such as our provincial education system. When I'm out in the community, that's definitely one of the priorities that keeps coming up, and my constituents are very thankful for that. However, as I'm sure everybody in this room is aware, our challenging economic climate requires all ministries to be prudent financial managers. What are some of the areas where the ministry has been able to find or create efficiencies?

Mr. Eggen: I mean, obviously, we have certain constraints with us being, as they say, a flow-through ministry, where most of the money goes to the boards, but I'm challenging all the boards to really give it a good, strong second look in their capacity to find efficiencies themselves. Again, I know that the climate carbon policy is – you can look at it both ways, right? You can look at it as a way by which you can find efficiencies and be rewarded for that, too.

Anyway, back in our ministry ourselves – I've talked about this already, kind of – our own department is doing its part. Of course, we reduced our salary expenditures by 2 per cent, so that's good for \$1.4 million. Also, our supply and services budget is going down 2 per cent and by 3 per cent the next year and then again in 2018-2019 as well. We figure that that's about \$10 million together over these next three years. Then we did do a \$15 million departmental reduction last year as well.

6:10

You know, I always have to be very cautious because I'm pushing lots of demands onto my ministry, too, with the FNMI projects and curriculum redesign. It's important that, just like running your proverbial, metaphorical engine, you don't want to overheat through a combination of demanding more and taking out funds as well. I mean, everybody wants to do their part. We recognize that.

When I was building this budget as well, I was looking at many different, larger reductions. But, I mean, you have to be very sensitive because you have geographic differences in the province where you might have, as the member from Drayton Valley pointed out, some school jurisdictions where the enrolment is going down and they don't have much reserve as well, right? If I was to make a per-student cut or a freeze or something like that, there are at least 20 or 25 boards that would have double jeopardy with that in mind. So I was very conscious of that and realized that regardless of where kids live in this province, we need to make sure that they are adequately funded. Based on that and the good support I had from you and the rest of the caucus, we forged ahead with a budget for Education that included enrolment growth, which ultimately was, I think, the best decision.

Mr. Horne: I would definitely agree that funding growth is very important for the province.

Mr. Eggen: Yeah, and not cutting per-student grants as well.

Mr. Horne: Of course.

On page 80 I see that plant operations and maintenance spending, line 2.3 in particular, has risen consistently in recent years. I'm assuming that this goes to schools and their inner workings. Can you detail for committee members why this fund is needed and why it's increasing in 2016-17?

Mr. Eggen: For sure. I mean, it's holding steady. Let's put it that way. If you think about CPI and inflation and so forth, it's basically

a holding steady kind of thing. There is a \$494 million plant operations and maintenance grant there to keep schools going.

You know, another way of looking at this in regard to use of energy, again, is that if I can realize more energy efficiencies both in plant and operations, then I can reduce this fund, too. You get a double benefit if you can shake things down and look for ways to save money.

POM funding is based on a per-student model. Again, the increase that you see here in this budget line for this year reflects our student enrolment commitment, which is great. We, of course, are acquiring additional space through the opening of new schools and modular classrooms as well, which will continue to increase dramatically over this next school year and financial year. So that reflects the increase in the plant operations and maintenance spending as well.

Mr. Horne: Okay. Thank you.

My school boards, in particular Parkland school board, are very proud of their regional collaboration in a large list of capacities, and they are particularly proud of their transportation. I'm curious about what is behind the regional collaborative services delivery detailed on page 80, line 2.2. What does this allocation provide students?

Mr. Eggen: Yes. Regional collaborative services delivery helps us to work between ministries as well, like Health and Human Services, and some other community organizations, identify needs, build capacity in regard to that. We have 17 regional collaborative delivery regions across the province. You know, they really focus on kids who are identified with complex needs in regard to physical issues and other issues as well and then help with some of these needs like speech therapy, for example, occupational therapy, mental health supports, behavioural supports as well.

You know, we're trying to expand this model to First Nation communities or communities that have high First Nation populations. As part of the project we're looking to have all students considered as part of this targeted, focused population to have this regional collaborative service delivery. Yeah.

I mean, it does encompass pretty much the whole province, including Parkland county. They have a right to be proud in Parkland. You know, it's an interesting school board because they do lots of innovative work, leading-edge and so forth. But one thing I didn't realize: I was there for the opening day of school back in September, which was really fun, and they pointed out to me that they are the number one employer in the county as well. That's something to think about, you know, when we're looking to make sure that we don't make cuts that would just exacerbate and make worse the economic downturn that we've experienced here in the province.

Mr. Horne: Yeah. I'm definitely proud to have the Parkland school division serving part of my constituency.

Mr. Eggen: Yeah. That's right.

Mr. Horne: I believe MLA Luff had a couple more questions she wanted to ask.

Mr. Eggen: Okay.

Ms Luff: I don't have very much time, but I'll ask very quickly. I know you're aware that there are schools in my riding that are relying on modulars and trying to provide quick accommodations to help students in rapidly growing areas. Just a quick question: does the capital piece on page 90 include funding for modulars, and are you considering expanding that program over time?

Mr. Eggen: Yes, I think it does. I just want to – can you just point out to me where you saw that?

Ms Luff: Page 90, capital funding.

Mr. Eggen: Yes, it certainly does. We have that earmarked at \$50 million a year for modulars. You know, again, it's a flexible way by which we can meet the needs of increased enrolment in specific areas. I know that there's a huge demand on modulars right now, and I'm looking for other ways to try to meet those needs either through refurbishing . . .

The Chair: I apologize for the interruption, but the time has expired.

I would now like to invite the member from the Official Opposition for your 10 minutes. Would you like to go back and forth with the minister?

Mr. Smith: Yes. Well, I'm wondering. Maybe I could ask a question.

Mr. Eggen: You had that question, but you got cut off.

Mr. Smith: I wanted to deal with that question, but I also have – I'll tell you; education is an amazing field – a whole bunch more that I could ask. I could read some into the record. Can we go back and forth and still do that, or do I have to just take . . .

The Chair: If you'd like to allow him to answer . . .

Mr. Eggen: Sure. I mean, you know, you want to use your time to make sure that you get your maximum of questions in. Like, go ahead, and we'll make sure that we get a reply to you straightaway.

The Chair: You can only speak for five minutes if you're going straight.

Mr. Smith: If I'm going to go straight.

The Chair: Yeah.

Mr. Eggen: I'll give you a little bit of my time. I'll stop talking so much.

Mr. Smith: Promises, promises.

Okay. Let's go with the five minutes. Thank you.

The Chair: Okay. Thanks.

Mr. Smith: I guess, Mr. Minister, one of the questions that I had was with regard to home education and home-schooling, so what I'm going to do is to just read this in. In addition to the regularly scheduled audits, held once every three years, independent home-school programs are also subject to desk audits, and these are random audits apparently used to justify student funding and may happen every year. This is in contrast to the audits for public home-school programs, that may not be audited once in, say, 20 years or more. So the questions around that are: how often are the public and separate home-school programs supposed to have full audits? How much is budgeted for this audit process? How often are independent home-school programs supposed to be audited? What is the cost associated with those audits, and where are they found in the budget? Lastly, what are the policy guidelines for audits, and what are they supposed to be doing through the audit?

6:20

Now, we had one person that was talking to us. To quote the stakeholder, they said:

Auditors seem to be making “de facto policy” through their [process] of clawbacks, which sure seem to be arbitrary and very inconsistent among home ed programs [across] the province, while other bureaucrats and education managers seem to be applying their own opinions on home [education] operations.

Okay? Are you aware of the inconsistencies in the audits for independent home-school programs? Who are the auditors of these programs, and who provides oversight of the audit processes, both formal and informal? There’s that whole issue, that at some point in time we need to get through and have some discussions on.

I guess, from the perspective of many home-schoolers the question that they’re sort of asking is: are you aware that many home education parents believe that not you specifically but individuals in the ministry are trying to shut down home education programs administered by independent schools by manipulating audit and funding practices? That’s the feeling that they’re getting. It may not be what’s intended, but that’s the feeling that they’re getting, and I think it needs to be addressed because I think it’s becoming an issue in home education, okay?

I’d like to look for a minute or two at inclusion funding. I’ll just read into the record here, okay? I’ve met with stakeholders across the province to discuss the new funding model for inclusion. There are very real concerns, and I promised to bring their questions to this table. For instance, one school division told us that they receive \$3 million to \$4 million – I forget exactly which it was – in inclusion funding, but they spend closer to \$7 million. Has the minister undertaken an analysis of the actual costs for schools or school boards who’ve undertaken to establish a fully inclusive educational model? Does the minister know what the actual costs are of special needs across the province, and are those costs reflected accurately in this budget?

We had some questions given to us by stakeholders about the efficacy of the funding model. While mild and moderate grants are paid for by coding, severe funding is now based on school profiles, as I’m sure you’re aware. These profiles include such variables as socioeconomic status information, yet many of the most pressing and urgent needs are not related to socioeconomic status. For instance, students with autism spectrum disorder may come from wealthy families and would not meet the parameters of the funding model, and the school boards would not receive funding for those students. So the efficacy of the new model is in question. Is the minister aware of how the school profile funding model is not working for all students across the province? What is the impact of the new funding model? Are student learning needs being more efficiently and properly addressed, and how has the impact been tracked?

Independent schools are not eligible for inclusive education funding. Why are independent schools and charter schools not included in the model? Why this double standard? I guess one of the things that I would add to that is that some people seem to believe that if you’re an independent school, you only get the best of the best. They have this elitist attitude. Yet we understand and we know, as we’ve travelled to independent schools, that that’s just not the case. They get their full range of students that are rich and poor. They get their full range of students that have special needs or that are not needing any kind of inclusive education. Why are they no longer . . .

The Chair: I apologize.

Minister.

Mr. Eggen: Yeah. That’s great. That’s the strategy that I used to employ when I was in opposition: try to get as much in as you can

– right? – towards the back end. We will certainly endeavour to answer all of your questions in a timely manner.

You know, just moving backwards through what you talked about. Home-schooling education: we have to make sure that we monitor all school divisions that are attached to home-school students. We do that every year, right? I will investigate the concerns that have been expressed around home education expenditures. Certainly, I’d be interested in seeing how and where it goes.

There is one area that I am concerned about in regard to home-schooling and then being connected to a responsible school. Our department wants to make sure that the school board or the school that a home-schooler is attached to is meeting their responsibilities in regard to monitoring and regulating the education of those kids because ultimately there’s public money involved. I have to make sure that I am the responsible steward of that public money. I mean, that’s an area that I know that there’s room for improvement in our home-schooling system. I know that when we set a high standard for best practice in home-schooling, then, I think, everyone benefits from that, all home-schoolers do, knowing that, you know, we are making sure that everybody’s following the rules in the same sort of way. If there’s any specific expenditure that parents are having some question about, I mean, they can certainly appeal to the ministry to ensure that they get the right information to get that done, right?

In regard to some of your other questions around independent schools, say, for example – I mean, there is a discrepancy between private schools but not exclusively or not universally. Students who are eligible for special education for students with disabilities still can qualify for that. Then, of course, we have a whole category of independent schools that deal with students with severe special needs, for which they receive a hundred per cent funding plus the extraordinary funding that those students need to meet their physical and learning and emotional needs.

I mean, it’s always – when you have a variety of different choices out there, you have different things happening, right? We talked about this yesterday as well when we were looking at your written questions. Part of what I would like to do, because it always annoyed me when I was in opposition, is that we can work together to try to hone a question so that it’s something that we can find in our ministry in regard to independent schools and monies that are there or not and so forth. I would like to make that commitment to you this afternoon, to everyone here, that I’m interested in working together to provide the information that we need because ultimately that’s the way that we make the best decisions. That’s the way I make best decisions in my ministry every day, with the security of knowing that I’m getting the information that is up to date. I mean, everything is big in education, right? You’re dealing with 659,000 students, 1,500 or 1,600 schools, all the school boards, and so forth. You know, the demands on each element of those things are profound, right?

When you think about when people start governments in the first place, you know, be it 1905 or 19-whatever or 18-whatever, the very first two things they are doing it for is to set up school boards and health care, right? Those are sort of the bases of those things. The degree to which we can stay with that first principle of why we have government in the first place, which is to provide some sense of equity, equality, and social justice that comes from a well-funded education system – you know, I think that we all are better for that.

My door is always open. If anybody has any . . .

The Chair: I apologize for the interruption, Minister. The allotted time has expired.

Mr. Eggen: I didn't finish the sentence.

The Chair: With less than 20 seconds on the clock, I'm going to bring this meeting to a close by thanking the minister for your attendance with us this evening as well as the staff.

I'd like to remind all committee members that we're scheduled to meet next on May 4, which is tomorrow, to consider the estimates of the Ministry of Service Alberta.

Thank you, everyone. This meeting is adjourned.

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

