



Legislative Assembly of Alberta

The 27th Legislature  
First Session

Standing Committee  
on  
Public Accounts

Advanced Education and Technology

Wednesday, May 7, 2008  
8:30 a.m.

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**Legislative Assembly of Alberta  
The 27th Legislature  
First Session**

**Standing Committee on Public Accounts**

MacDonald, Hugh, Edmonton-Gold Bar (L), Chair  
Lund, Ty, Rocky Mountain House (PC), Deputy Chair

Benito, Carl, Edmonton-Mill Woods (PC)  
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)  
Chase, Harry B., Calgary-Varsity (L)  
Dallas, Cal, Red Deer-South (PC)  
Denis, Jonathan, Calgary-Egmont (PC)  
Drysdale, Wayne, Grande Prairie-Wapiti (PC)  
Fawcett, Kyle, Calgary-North Hill (PC)  
Griffiths, Doug, Battle River-Wainwright (PC)  
Jacobs, Bryce, Cardston-Taber-Warner (PC)  
Johnson, Jeff, Athabasca-Redwater (PC)  
Kang, Darshan S., Calgary-McCall (L)  
Mason, Brian, Edmonton-Highlands-Norwood (NDP)  
Quest, Dave, Strathcona (PC)  
Vandermeer, Tony, Edmonton-Beverly-Clareview (PC)  
Woo-Paw, Teresa, Calgary-Mackay (PC)

**Also in Attendance**

Taylor, Dave, Calgary-Currie (L)

**Department of Advanced Education and Technology Participants**

Annette Trimbee	Deputy Minister
Blake Bartlett	Executive Director, Finance and Administration Division
Ray Bassett	Assistant Deputy Minister, Policy and Planning Division
Shirley Dul	Assistant Deputy Minister, Apprenticeship and Industry Training Division
Ron Dyck	Assistant Deputy Minister, Research Division
Bill Spaans	Director, System Wide Planning, Policy and Planning Division
Gerry Waisman	Acting Assistant Deputy Minister, Adult Learning Division
Mel Wong	Assistant Deputy Minister, Technology Commercialization Division

**Auditor General's Office Participants**

Fred Dunn	Auditor General
Jeff Dumont	Assistant Auditor General

**Support Staff**

W.J. David McNeil	Clerk
Louise J. Kamuchik	Clerk Assistant/Director of House Services
Micheline S. Gravel	Clerk of <i>Journals</i> /Table Research
Robert H. Reynolds, QC	Senior Parliamentary Counsel
Shannon Dean	Senior Parliamentary Counsel
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Karen Sawchuk	Committee Clerk
Philip Massolin	Committee Research Co-ordinator
Liz Sim	Managing Editor of <i>Alberta Hansard</i>

8:30 a.m.

Wednesday, May 7, 2008

[Mr. MacDonald in the chair]

**The Chair:** Good morning, everyone. I would like to call the Standing Committee on Public Accounts to order, please. On behalf of the committee and all its members I would like to welcome everyone in attendance. If we could perhaps quickly go around the table and introduce ourselves, starting with the hon. Member for Rocky Mountain House.

**Mr. Lund:** Ty Lund.

**Dr. Massolin:** Good morning. Philip Massolin, committee research co-ordinator of the Legislative Assembly Office.

**Mr. Bhardwaj:** Naresh Bhardwaj, MLA, Edmonton-Ellerslie.

**Mr. Vandermeer:** Tony Vandermeer, Edmonton-Beverly-Clareview.

**Mr. Dallas:** Cal Dallas, Red Deer-South.

**Mr. Denis:** Jonathan Denis, Calgary-Egmont.

**Mr. Kang:** Good morning, everyone. I'm Darshan Kang, Calgary-McCall.

**Mr. Chase:** Harry Chase, Calgary-Varsity.

**Mr. Taylor:** Dave Taylor, Calgary-Currie.

**Mr. Benito:** Carl Benito, Edmonton-Mill Woods.

**Ms Dul:** Shirley Dul, Advanced Ed and Technology.

**Mr. Bartlett:** Blake Bartlett, Advanced Education and Technology.

**Dr. Trimbee:** Annette Trimbee, Advanced Education and Technology.

**Mr. Waisman:** Gerry Waisman, Advanced Education and Technology.

**Dr. Dyck:** Ron Dyck, Advanced Education and Technology.

**Mr. Bassett:** Ray Bassett, Advanced Ed and Technology.

**Mr. Wong:** Mel Wong, same ministry.

**Mr. Dumont:** Jeff Dumont, Auditor General's office.

**Mr. Dunn:** Fred Dunn, Auditor General.

**Mr. Drysdale:** Wayne Drysdale, Grande Prairie-Wapiti.

**Mr. Johnson:** Jeff Johnson, Athabasca-Redwater.

**Ms Woo-Paw:** Teresa Woo-Paw, Calgary-Mackay.

**Mr. Jacobs:** Bryce Jacobs, Cardston-Taber-Warner.

**Mr. Quest:** Dave Quest, Strathcona.

**Mrs. Dacyshyn:** Corinne Dacyshyn, committee clerk.

**The Chair:** Hugh MacDonald, Edmonton-Gold Bar.

I would like to please advise everyone that they do not need to touch the microphones; that is taken care of by the able *Hansard* staff behind us. If committee members could be reminded again not to leave their BlackBerrys on the table as they cause interference for our *Hansard* people. I'd appreciate it if you could remove them from the top of the table.

May I please have approval of the agenda that was circulated? Or are there any questions about the agenda?

**Mr. Jacobs:** I'll move it.

**The Chair:** Moved by Mr. Bryce Jacobs that the agenda for the May 7, 2008, meeting be approved as distributed. All in favour?

**Hon. Members:** Agreed.

**The Chair:** Opposed? Seeing none, thank you.

May I also please have approval of the minutes that were circulated? Moved by Ms Teresa Woo-Paw that the minutes of the April 30, 2008, meeting be approved as distributed. All in favour?

**Hon. Members:** Agreed.

**The Chair:** Opposed? None. Thank you.

This brings us to item 4 on our agenda, the meeting with the staff of the Ministry of Advanced Education and Technology. I would invite the officials to please give us a brief overview of Advanced Education and Technology for the year 2006-07. Before they get started, I would remind hon. members that we are dealing with the annual report for 2006-07 for this department and the annual report of the Auditor General for the same year as well as the annual report of the government of Alberta for 2006-07. Okay.

**Dr. Trimbee:** Good morning, and thank you for the opportunity to present the highlights of Advanced Education and Technology's accomplishments from the 2006-07 annual report. This report was the first issued after the government reorganization that merged the former ministries of advanced education and innovation and science. In 2006-07 the newly formed ministry, supporting its two core businesses, a learning Alberta and innovation, provided over \$2.5 billion in funding to research organizations, postsecondary institutions, and learners, including apprentices.

The core business a learning Alberta was supported by goals including "quality advanced learning opportunities" and "adult learners participate in advanced education." Working to meet these goals, the ministry moved forward with key activities and funding aimed at enhancing the accessibility, affordability, and quality of the adult learning system. For example, we released the report, *A Learning Alberta: Framing the Challenge*, which included a long-range policy framework for Alberta's advanced education system. Its recommendations initiated the development of a roles and mandate framework for the publicly funded postsecondary system as well as a comprehensive review of community adult learning programs.

Another important development to help improve accessibility and provide learners with more options was the ministry's approval of 17 new degree programs at Alberta postsecondary institutions, including Grant MacEwan and Mount Royal College.

The ministry further supported learners and enhanced affordability and accessibility by providing \$137 million in scholarship, bursary,

and loan-relief programs, and more than \$7.2 million in scholarships was provided to 1,400 graduate-level students in recognition of their exceptional academic achievement. Taking a longer term view at enhancing affordability and accessibility, the ministry also provided \$7.7 million through the Alberta centennial savings plans to Alberta families saving for their children's postsecondary education.

Enhancing access, affordability, and quality to apprenticeship training and programs continued to be a priority for the ministry as well in 2006-07. Twenty-four thousand new apprentices were registered during the year, bringing the total to more than 60,000 registered apprentices, the highest number ever. This significant growth helped to address the province's skilled labour shortages.

In the core business of innovation significant achievements were also made towards our goal of building research capacity and accelerating innovation in the priority sectors of life sciences, energy, and information and communications technology. For example, early in 2007 Advanced Education and Technology opened the Edmonton facility of the National Institute for Nanotechnology, helping to make Alberta one of the world's leaders in this up-and-coming area of science. In energy research we launched the hydrocarbon upgrading demonstration program to test better ways to deal with hydrocarbons, including carbon dioxide capture and storage. We also provided funding and support to life sciences research in several areas, including agriculture, forestry, and health innovation.

In terms of funding, the government dedicated a significant portion of its resources to Advanced Education and Technology. Total expenses in 2006-07 reached \$2.5 billion, a 20 per cent increase from the previous year. The majority of the funding went directly to postsecondary institutions, students, research, and community adult learning organizations. Some of the highlights include: \$2.1 billion in grants to postsecondary institutions, including about \$400 million for infrastructure projects; \$50 million in achievement and heritage scholarships; \$25 million in support of apprenticeship delivery; and \$103 million in funding to improve innovation capacity in the priority areas of life sciences, energy, and information and communications technology.

Funding is only one part of the equation in our effort to meet the department's goals. We also need to ensure that the funding supports strategic planning and meaningful programs that we believe are being effective in assisting Alberta to be a learning and innovative society. The results of our performance measures show us that we are achieving our goals. Of 39 measures with prior years' results to report, 28 maintained or improved their performance level. A significant majority of the targets were met.

Highlights of the ministry's performance include: an increase of full-load equivalent student spaces by 8,300, compared with about 2,600 in 2005-06; 95 per cent of recent apprenticeship graduates were satisfied with the quality of their technical training, and 93 per cent were satisfied with the quality of their on-the-job training; 79 per cent of the public agreed that adult Albertans could access the education or training they want, surpassing the 72 per cent target; industry and other organizations invested \$1.91 for every dollar government invested into energy research activities within the province; and the investments from industry and other organizations, \$57 million for information and communications technology and \$87 million for the life sciences areas, result from efforts to facilitate growth of nongovernment investments in the province in these sectors.

Another measure of our success is how we respond to the findings and the recommendations of the Auditor General. A number of recommendations from prior years were considered to be fully implemented when re-evaluated in the Auditor General's November

2007 report. As well, the November 2007 report did not provide any new recommendations for Advanced Education and Technology. The report did include some recommendations for public postsecondary institutions. Advanced Education and Technology is not directly involved in resolving these issues, but we do monitor their responses carefully to ensure that the ministry as a whole is accountable.

In conclusion, these highlights of accomplishments and results speak to the work that has been done by Advanced Education and Technology to assist Alberta to be a learning and innovative society.

Thank you.

8:40

**The Chair:** Thank you, Dr. Trimbee.

If any of your other staff want to participate in the discussions this morning, they are quite welcome to, and they can just go to the microphone that's behind you. Okay?

Mr. Dunn, do you have anything to add at this time, please?

**Mr. Dunn:** Yes. Today we have one of the largest ministries before us.

I notice a number of you do not have the second volume to the annual report. Within this second volume are all the financial statements of all the postsecondary institutions, all of which are audited. So if anybody is ever interested in what is happening at one of the underlying entities, it all is available publicly in the second volume of the ministry's annual report.

With that comment, I'll be a little bit longer than I normally am because of all the various organizations that we do audit here. I'm going to briefly review our audit work at this ministry. Our comments in our October 2007 report are in volume 2, on pages 3 to 27, and our comments in our April 2008 report are on pages 15 to 51 for our systems audit and on pages 179 to 214 for our financial statement audits. We completed our audits on the financial statements of the ministry, department, access to the future fund, public postsecondary institutions, and technology-based institutions such as the Alberta Research Council. These financial statements are included in the Advanced Education and Technology annual report, as I just showed you.

Also, we completed our audit procedures on the ministry's performance measures. We issued unqualified audit opinions on these financial statements and found no exceptions in the ministry's performance measures. We made new recommendations to the department in three areas in our April 2008 report. We highlighted our findings in the first area, postsecondary institutions' noncredit programs, when we met with you on April 23.

We audited the systems that the department has to monitor institutions' noncredit programs. Starting on page 15, we report that the department needs to clarify and communicate its expectations for noncredit programs, work with the institutions to improve the consistency in reporting financial results, monitor whether institutions meet the department's expectations, and resolve cases where they don't. When considering overhead costs, the department's systems show that these programs, which are generally intended to recover their costs, have net losses of approximately \$58 million for 2006-2007; however, given concerns over the accuracy of this number, the department does not know if government grants are being used to fund a portion of these programs.

On pages 24 to 28 we summarize our findings on six postsecondary institutions' noncredit program systems and include our recommendations to the institutions in the appendix on pages 29 to 35. We found that institutions did not always consider all incremental costs of providing the program when deciding which programs to

offer and what prices to charge. We also noted that improvements were needed in the processes to initiate and improve courses, since we noted examples of courses proceeding with very few students.

The second area we highlight is on page 37. We report that the department has effective systems to license private vocational programs and monitor private institutions' delivery of these programs but can improve its new audit process to help ensure that institutions comply with legislation. We also report that the department has adequate processes to investigate student complaints, and it followed those processes when it investigated the complaints regarding CDI College.

The third new area we highlight starts on page 191. We report that although the department is not responsible to implement effective information and technology controls at public postsecondary institutions, it should provide guidance on identifying risks and using an IT control framework to implement effective IT controls. We found that no institution has a comprehensive set of well-designed, efficient, and effective IT controls to mitigate its risks. Not all institutions currently have the ability, resources, or knowledge to properly implement IT controls and, therefore, could benefit from guidance from the department.

Finally, as mentioned by the deputy, we describe in our October 2007 report five recommendations made to the department that were implemented. The first two, on pages 6 and 7, relate to designating programs as eligible for student loans and ensuring that loans were provided only to eligible students.

The third item, on pages 7 and 8, related to performance reporting on the affordability of learning, and the last two, on pages 8 and 9, related to measuring results of the tuition fee policy and ensuring postsecondary institutions' compliance with that policy.

That concludes my opening comments, Mr. Chairman. I and my staff will answer any questions directed to us.

**The Chair:** Thank you very much, Mr. Dunn.

We will proceed to questions, but I would like to remind all the members and MLAs in attendance, one in particular, the hon. Member for Calgary-Currie, that standing orders certainly allow all Members of the Legislative Assembly to participate in the committee, but you cannot vote. Thank you.

We'll proceed now with Mr. Chase, followed by Mr. Benito, please.

**Mr. Chase:** Thank you, Mr. Chair. On a per capita basis Alberta is at the low end nationally for our postsecondary capacity. Quebec has almost six times the number of institutions as Alberta. My question to the ministry: why are we so far behind the rest of Canada?

**Mr. Waisman:** Capacitywise we have a participation rate that we've had historically, and we've met that participation rate in our five-year plans and our capital construction. I mean, one of the problems that Alberta has is the economy and attracting students from high school directly into postsecondary. There's a tendency for them to come back later. There's also a tendency for them to be older. So we have to build logically and not overbuild and deal with it that way.

**Dr. Trimbee:** Just to add to that, some of the Maritime provinces have very high capacity, and they're very much net exporters. Part of that relates to the history of Canada and where things started. We do carefully look at the demographics. We look at the learner demand, we look at industry demand, and we're trying to match that and really develop capacity in a smart way to meet our needs. As

Gerry mentioned, we also pay attention to participation rates, and we are doing things to try and increase those rates. But as everybody knows, our economy right now is doing quite well, and a lot of students go out and work for a little while, get some money, and then go back to school.

**Mr. Chase:** Thank you. My second question. In 2006 former Premier Klein promised 15,000 new seats by the fall of this year and 60,000 additional seats by 2020. Currently up to 25 per cent of eligible students who have the grades and can afford the inflated tuition costs are turned away. How many new seats have been added under Premier Stelmach's watch? I'm not talking virtual seats; I'm talking physical seats.

**Mr. Waisman:** I believe that's a question for the '07-08 or the '08-09. We are dealing with '06-07, and Premier Stelmach wasn't the Premier back then. I mean, we can get you information with respect to the seats in '06-07.

**Mr. Chase:** Any information you could provide. The last Auditor General's report referenced 2007-2008.

**Mr. Waisman:** We can get you that information.

**The Chair:** Thank you. If you could provide that information through the clerk to all committee members, we would be grateful.

Mr. Dunn, do you have anything to add?

**Mr. Dunn:** Just to mention that the last Auditor General's report released in April 2008 did refer to the postsecondary institutions that were at June 30 year-ends for June 30, 2007. They do not have a March 31 fiscal year-end.

**The Chair:** Thank you.

Mr. Benito, please.

**Mr. Benito:** Thank you very much, Mr. Chairman. My wife is a nurse and my eldest son is a nurse as well, and my daughter is taking nursing at the University of Alberta. My question to the minister is: of the 2,400 spaces created through the enrolment planning envelope in 2006-07, how many were in health care professions?

**Dr. Trimbee:** Of that total about 600 were in health care, and the majority of those are licensed practical nurses and RNs, 30 physicians, and I think some other allied professionals and so on. So a substantive portion.

**Mr. Benito:** Thank you very much.

My supplementary question: could you provide an explanation on how priorities for the enrolment planning envelope funding are determined?

**Dr. Trimbee:** What we do is look at what learners are interested in taking. We work with industry to figure out their needs. We look at government priorities through a number of strategic documents that government produces, and we do our best to try and use that in the enrolment planning envelope wisely. As you know, we're working on an access planning framework that will help us do an even better job in the future. So we look at what the learners want, we look at what the economy needs, and we look at strategic priorities.

8:50

**Mr. Benito:** Thank you.

**The Chair:** Thank you.

Darshan Kang, please, followed by Mr. Dave Quest.

**Mr. Kang:** Thank you, Mr. Chairman. On page 45 of the Auditor General's 2008 report it is noted that NAIT entered into a sole-sourced contract valued at \$666,000. There's no record to explain why. What was this contract for, and why was there no record provided to explain the contract?

**Dr. Trimbee:** On that issue I said in my opening comments that the postsecondary institutions are responsible for day-to-day operations. We noted that particular observation, and when the minister met with the board chairs on April 30, he reinforced the message on the significance, the importance of all of our institutions having conflict-of-interest policies and ensuring that everybody who needs to know about them knows about them and that they are followed.

**Mr. Kang:** Okay. My supplementary question. You're talking about a conflict of interest here. Are there any guidelines in the Department of Advanced Education and Technology that may provide guidance or direction on the conflict-of-interest provisions?

**Dr. Trimbee:** There are. There is an Alberta public service code. Again, the institutions have these policies. We just want to make sure that they are front and centre and that everybody is abiding by them. If your question is, "Does the ministry see themselves as having a role in working with postsecondary institutions," we offer guidance and coaching, but again we expect the institutions to manage their day-to-day affairs.

**The Chair:** Thank you.

Mr. Quest, please, followed by Mr. Taylor.

The chair would remind all members that he is slightly deaf, and if they could talk directly into their microphones, he would be grateful. Thank you.

**Mr. Quest:** My question would be for Dr. Ron Dyck. We make a very significant investment in research. A very significant investment. Not all research can lead to marketable products or advances, so how do you evaluate the success or failure of investment in research?

**Dr. Dyck:** I think that there are number of different ways that one would evaluate the value. One is, of course, in terms of products and applications. But the other side, really, is about the students that come out of our postsecondary institutions who become workforce ready for taking jobs in Alberta's high-tech industries.

Mike Lazaridis, who is the owner of the company – most of us have Blackberrys. He's on record as saying that he has used probably only two pieces of IP from universities but that he's hired 5,000 students in his company. What he's really saying is that the value of the research activity is not only the intellectual property that is generated, but it's the students who get trained, who learn, who have the opportunity to work on the latest equipment, that become ready in the high-skilled or high-tech technologies. So that's one way of looking at the value of research over and above just company creation and/or product or application development.

**Mr. Quest:** Okay. So how do you use your evaluation to make future funding decisions?

**Dr. Dyck:** There are a number of criteria that we use. Number one, excellence is always the primary criterion or priority. We always

want to ensure that the funding that goes from the public purse, so to speak, goes towards excellence.

Secondly, the province has identified areas of strategic importance to it. So the assessment of research activity that we engage in has to abide by the policy direction established by government and the priorities that we have identified.

Thirdly, we look at the teams of researchers. Are those teams of researchers capable? Do they have the capacity to in fact engage in that activity and generate the kind of knowledge and/or technologies that are required?

**The Chair:** Thank you.

Dave Taylor, please, followed by Naresh.

**Mr. Taylor:** Thank you, Mr. Chairman. I'm looking at pages 24 and 25, specifically the graphs on increasing full-load equivalent student spaces and the participation in postsecondary education. I continue to hear wherever I go that qualified students are being turned away from our postsecondary institutions because we don't have room for them or we're rationing admission in one way or another, through high marks or high cost or whatever. I see that you created 8,300 more learning spaces in '06-07, yet our participation rate in Alberta is declining since 2002, whereas it's increasing in the rest of Canada. I wonder, Dr. Trimbee, if you can make those two apparently contradictory findings co-ordinate in some way?

**Dr. Trimbee:** Well, first I will say that we do track the turn-aways. We define that as a situation where a student applies, meets the minimum criteria, but the student doesn't get an offer. We do track particular areas. Your comment, though: how come we're funding these spaces, but the performance rates are going down? I just want to make sure I understand.

**Mr. Taylor:** The participation rates are going down.

**Dr. Trimbee:** Yeah, participation rates are going down. Well, in part the thing with percentages is that they're ratios. We have a lot of new people moving into the province as well. That's the other thing you have to keep in mind. The denominator is changing as well, and a lot of the individuals that move into the province already have postsecondary training.

So is your question whether what we're building is matching what we need?

**Mr. Taylor:** Uh-huh.

**Dr. Trimbee:** That's what we're trying to do, and we're trying to get ahead of the curve. There are some situations where some of the capacity isn't fully utilized, but we work with the institutions to try and optimize that capacity. That's the advantage of looking at it from a Campus Alberta approach. That's the advantage of going through a process where we have categorized all of our institutions into six categories, which gives them some context for their future planning. So we are trying to build capacity in a smart way. We're trying to get ahead of the curve. We're trying to get our institutions to work together. We're trying to get the right types of programs, the right types of degrees in there, and we're also working with Education and working with the community to try and get more students to finish high school and trying to get students to walk into the postsecondary system sooner rather than later.

**Mr. Taylor:** Okay. I'll pass on a supplementary for now. Thank you.

**The Chair:** Mr. Naresh Bhardwaj, please, followed by Mr. Chase.

**Mr. Bhardwaj:** Thank you, Mr. Chairman. Looking at page 59 of the annual report, it shows the various types of funding provided to Alberta public postsecondary institutions. Why did Grant MacEwan receive 50 per cent more funding than Mount Royal?

**Dr. Trimbee:** To start with, the institutions receive operating money and they receive capital money. So your question is: why does Grant MacEwan get more than Mount Royal? That relates to the number of students; they have more students. It also relates to some of the capital that flowed that particular year. As you can imagine, the capital budgets from year to year vary depending on what projects are in the mix. I think that in that particular year – what's it called? The Robbins? – a significant amount was invested in the Robbins centre at Grant MacEwan.

**Mr. Bhardwaj:** Thank you very much.

My only supplementary question. The schedule on page 59 notes that close to \$21 million was provided in grants to private colleges in the province. Why do we provide this funding?

**Dr. Trimbee:** I actually met with the colleges last week and got a little more of the history. The bottom line is that they have capacity, the programs they offer meet our quality standards, and there are students who like going to that environment. Most of them are faith based. They add value to the equation, so we think that they're a significant, important part of Campus Alberta. Again, they deliver to our quality standard, they're here already, and they're a part of Campus Alberta, so we welcome them.

9:00

**The Chair:** Thank you.

Mr. Chase, followed by Mr. Denis, please.

**Mr. Chase:** Thank you. Given that the percentage of postsecondary institutions' revenue that is from tuition is declining, what plan is in place to either commit to continued government funding for revenue shortfalls or to ensure that another mechanism is in place to counter the decreased reliance on tuition?

**Mr. Waisman:** Yes. We instituted that year a new tuition fee policy that's tied to the Alberta CPI. It's more seamless and transparent to our clients. The institutions know how much they're going to get in revenue if they can forecast the number of students they're going to get, and of course the student knows what it's going to cost. That's pertaining to '06-07; that's what we've done. Of course, there are things in '07-08 and our initiatives in Budget '08 that support that and enhance that.

**Mr. Chase:** Thank you. My supplemental: since strategies and funding commitments are only confirmed in three-year business plans, how does this impact the postsecondary institutions' ability to develop longer term strategies and budgetary business plans? I represent the University of Calgary, and our operating budgets are always considerably below what we need, and departments have been forced to basically internally scavenge without success to carry out the operating budgets.

**Mr. Waisman:** To answer your question, we are required by the government to budget on a three-year scale. We are able to provide, for example, operating grant increases on a three-year basis to the institutions for planning purposes. Whether they go up or down, it

gives them time to react to it. But we're governed by the policies of the government, and all ministries operate under the three years.

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

Mr. Denis, please, followed by Mr. Kang.

**Mr. Denis:** Thank you very much, Mr. Chair. Mr. Waisman, just a moment ago you were talking about the goal of holding tuition increases to the rate of inflation. I acknowledge that that's a major barrier to entry to postsecondary education. Another one is establishing a responsible student loan system. I'm just going to refer you to page 19, the bottom paragraph, of the '06-07 annual report. It simply indicates that \$7 million was spent to improve student loan systems. I'm interested as to how these funds were allocated.

**Mr. Waisman:** Yes. We have done a student finance system redevelopment, where we have an online, real-time system. We have been converting from our legacy system, which was 20 years old, into this new system, and we've been expending money to be able to provide a better infrastructure. Student assistance is a half a billion dollar operation. As the agent for the millennium and the federal government, in terms of loans and grants we actually have a business that's \$500 million, and we have to ensure we run it properly. As to the Auditor General's comments about making sure systems are in place and can provide reports, that's part of the reason why we're investing that money.

**Mr. Denis:** Just a supplemental: how much do you expect this new system to cost in the next several years?

[Mr. Lund in the chair]

**Mr. Waisman:** That's a very good question. We are having to adjust our system annually as a result of our partner, the federal government. We act as their agent. They provide approximately 60 per cent of the loan money that students get. We provide 40 per cent, and we subsidize it by a number of front-end, nonrepayable assistances. The federal government announced that they're redoing their Canada study grants. Several of my staff are in Ottawa as we're speaking, finding out what these changes could be. They could be very significant, and we have to address them and deal with the student. I can't really say at this point, but it could be significant.

**The Deputy Chair:** Mr. Kang, followed by Mr. Jacobs.

**Mr. Kang:** Thank you, Mr. Chairman. On page 23 of the Auditor General's report 2008 the report notes that the grants from the Department of Advanced Education and Technology may be supporting noncredit programs which aren't approved by the government. Will the minister tell us how much grant money may have been misspent on overhead costs for noncredit programs?

**Dr. Trimbee:** On that one Mr. Dunn mentioned a number of \$58 million but also mentioned that there were some concerns about the methodology and the variability in how people actually calculated that. We agree with the Auditor General, and what we are going to do is make sure we work with the institutions to get the type of reporting we need to verify that number. I do also want to say that we have told the institutions that they should be recovering the costs of noncredit programs, but I don't want anybody to think there's no value to noncredit programs because what noncredit programs do is that they help a lot of people hone up their skills and become more

employable. We do recognize that we need to clarify the policy intent. We need to clarify how they need to report it to us. We absolutely agree with the Auditor General and are working on that.

**Mr. Kang:** You mentioned some, but what steps have been taken on the Auditor General's recommendations to establish expectations from institutions' delivery of the noncredit programs?

**Dr. Trimbee:** I'll ask Blake to comment a little bit more on the financial part and then, Gerry, if you want to kick in on the policy part.

**Mr. Bartlett:** Sure. The main thing we're doing is the direction that we've provided to the postsecondaries around the methodologies and the approach. That document is about 10 years old now, so we're in the process of updating that document and providing more specific information on how we expect to see the costs reported and allocated. We're trying to provide some direction where it maybe hasn't existed in the past.

**The Deputy Chair:** Mr. Jacobs, followed by Mr. Taylor.

**Mr. Jacobs:** Thank you, Mr. Chairman. I have two unrelated questions if you would allow that. The first question refers to page 221 of the '08 report. I notice several recommendations there that were made, and some of them are two or three years old. Could you tell us what the process is for dealing with these recommendations and getting them up to date in a timely manner?

**Mr. Bartlett:** Sure. I'll tackle that one. I'll just reiterate one of the comments that the deputy made at the outset. Some of the recommendations relate to the department; the bulk of them relate to the postsecondary institutions. With respect to the first two on that list they both relate to the department, and they're related to our apprenticeship training programs. We've taken steps to address those. The Auditor General, my understanding is, is going to be reviewing our actions in those regards over the summer and will be reporting those in their fall of 2008 report. With respect to the ones for the postsecondaries, those are the responsibility of the boards to address. I can't speak to individual recommendations, but in general the boards are taking it very seriously and are in the process of addressing them.

[Mr. MacDonald in the chair]

**Mr. Jacobs:** Thank you. My second question. We've already had a question from one of my colleagues on loan relief programs, student loan programs. I think that's a really good program, and as an MLA and as a father I recognize that it has helped many people. I still get calls from constituents relating to their success or non-success in applying for some assistance. So could you comment, please, on the process you use to make sure that we have consistency and fairness in the distribution of the loans? You know, for example, some parents are wealthier than other parents, if I may use that word, some students have cars, and some students have other assets, which sometimes, as I understand it, affect their ability to access the loans. There is a perception among some students that sometimes they haven't been treated consistently or fairly, so could you comment on the process that you use to make sure we do have fairness and consistency?

**Mr. Waisman:** Of course, when we receive the request for funding, it's reviewed and then it's rereviewed by a second person to try to ensure quality control. One of the problems is that sometimes

people don't put enough information down. We do get a number of appeals, and I must say that those appeals are successful. We also have an appeal board that a person can go to and a grievance procedure through that to understand and get things overruled. It happens sometimes when they were able to provide the information or they were able to obtain the information because we couldn't give them the funding without documenting it.

**9:10**

The other thing is that we have a tremendous heritage scholarship fund and achievement scholarships and all that stuff. These are all based on merit, but the student finance system, or the loans, is really based on need. In other words, the greater your need, the greater the amount of money you get. If you're considered a dependent child – if you're under 21 and you live with your parents, et cetera, you're considered a dependant – your parents are expected to contribute something. However, in Alberta because of our economy, we have a very small percentage of people who are actually dependent. We have a huge percentage compared to places like Ontario, and because they work, they have money in their pockets; they have assets. The student finance is meant to be a place of last resort.

Having said that, though, we recognize it. We increase the cost of living every year. In the year we're talking about we went from \$225 to \$400 in part-time earnings. We did a number of things that year that tried to help in accordance with the affordability framework that the deputy talked about earlier. So we're constantly trying to improve the program.

**Mr. Jacobs:** Thank you.

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

Dave Taylor, please, followed by Teresa Woo-Paw.

**Mr. Taylor:** Thank you, Mr. Chair. Page 44 of the annual report, support to postsecondary learners. Pretty significant difference between the actual amount spent and the amount that was budgeted; in fact, the actual amount spent was about \$67 million less than what was budgeted. Why?

**Dr. Trimbee:** I'll start, and then I'll turn it over to Blake. One of the things I noticed in our summary sheet was that our support to adult learners actually went down from '05-06 to '06-07, and usually things in government go up rather than down. So the answer to that is that it depends on the financial situation of the students entering the postsecondary institutions. In that particular year there just wasn't as much of a call on some of our programs to assist students financially.

**Mr. Bartlett:** Maybe I'll just elaborate on just a couple of specific programs. As Gerry mentioned, we do have a loans program. The demand for loans for that year was down, so the expenses related to loans were down as well. We also have a student loan relief benefit program, which provides loan relief to first-time, first-year students. The numbers for first-year students were down in that year, so the spending for that program was down quite a bit as well.

**Mr. Taylor:** Okay. Did any allocations under that budget line item not receive any funds at all that you're aware of?

**Mr. Bartlett:** No. If you do want to see the details for that, there is a schedule in the department's financial statements that provides a breakdown of that number. Do you want the page number? I can give you that.



**Mr. Taylor:** Sure.

**Mr. Bartlett:** Just give me two seconds; I'll find it. It will be on page 78.

**Mr. Taylor:** Okay. In the second bar. Right. Thank you.

**The Chair:** Thank you very much.  
Ms Woo-Paw, please, followed by Harry Chase.

**Ms Woo-Paw:** Thank you, Mr. Chairman. My question is around the new tuition policy. My first question is whether the biannual satisfaction survey is the most appropriate and sufficient to measure the performance of the new tuition policy.

**Dr. Trimbee:** I'm going to ask Bill to come up. He is responsible for our performance measures, and he can tell you a little bit about the survey. Right off the top, obviously, you want your surveys to capture the events of the day.

**Ms Woo-Paw:** Well, I'm interested in how we measure how we are doing in terms of ensuring that our advanced education is affordable and accessible. So this is one question. Thanks.

**Mr. Spaans:** It's a very tricky question that you ask because affordability is often in the eye of the beholder. We do try to measure some hard measures of affordability, but we also go to the client. That's where the client satisfaction surveys come in. We ask them a variety of questions. We ask that of graduates, for example. We ask them if the training that they paid for was worth the cost to them and their family. By and large the response we get is that, yes, they find it affordable and they find that it was a good investment for them. So we try to combine a mixture of hard measures with: is the client perceiving it to be affordable?

**Ms Woo-Paw:** My supplemental is: are there other measures that are being explored by the ministry? Also, are there other performance measures that other jurisdictions in Canada use to measure affordability and accessibility in advanced education?

**Mr. Spaans:** Yes. We have taken a very hard look at socioeconomic considerations. We know that in other jurisdictions they do this. We've looked at Australia, for example, where they try to measure access to postsecondary from different socioeconomic groups. We have tried to do that in Alberta, and we didn't find very strong relationships. The reason we think that's true is because, again, with our strong economy right now even those families whose children could afford to go because they have the means to send their children often are opting not to participate in postsecondary. They're delaying that because there are such ample job opportunities. The data for us in Alberta right now is a bit confounding, and it doesn't really follow what the literature would suggest would be true. But we are looking at those.

**Ms Woo-Paw:** My last supplemental.

**The Chair:** Proceed, but after this we have two questions. You go ahead.

**Ms Woo-Paw:** Okay. The ratio of debt to income: can that not be used to measure affordability?

**Mr. Spaans:** Well, I think it is. Definitely. One of the measures of

affordability is: what's the debt that students have when they leave the system? Therefore, we do measure that through our graduate outcome survey. It's in the annual report.

**Ms Woo-Paw:** Why is there no target set for that measurement?

**Mr. Spaans:** It's a new measure. We normally don't set targets unless we have at least three years of data. You know the old adage: once in a row doesn't make a trend. We think that's true for that measure as well. Once we have three years of data, then we'll start setting targets.

**Ms Woo-Paw:** Thank you.

**The Chair:** You're very welcome. Thank you.  
Mr. Chase, please, followed by Mr. Dallas.

**Mr. Chase:** Thank you. On page 21 it states that the decrease in completion rates for aboriginal students "is not statistically significant." It may not be statistically significant, but it most likely is an important issue for the aboriginal community. Can the minister explain what was meant by the explanation of the decrease resulting from a "high variation in the number of respondents"?

**Dr. Trimbee:** On that one I'm just assuming it relates to the population's size. To come up with statistical reliability, you look at the size of your sample, and you look at the variability in your answers. Is your point really that even though it's not statistically reliable, it's something that we need to pay attention to? If that's your point, I absolutely agree.

**Mr. Chase:** Thank you. First Nations currently represent the fastest growing segment of Alberta's population. Alberta's First Nations have the potential to provide the answer for Alberta's qualified employee shortage rather than our current dependency on temporary foreign workers. Therefore, what is specifically being done to address the lower number of aboriginal students who complete postsecondary school, and what is the timeline for the implementation of these plans targeting First Nations?

**Dr. Trimbee:** I'd like to invite Shirley to talk a little bit about it from an apprenticeship and industry training perspective and then, Gerry, if you have anything else.

**Ms Dul:** For the past few years we've had an Alberta aboriginal apprenticeship program. We have worked with the aboriginal communities, with industry, and with aboriginal individuals as well as other government departments to increase the participation rate of aboriginal people in apprenticeship. In addition to that, we've got what's called a youth apprenticeship program, which we're doing in partnership with Alberta Education. That's where we're working in communities where aboriginal youth don't typically have a high success rate in completing high school. That program starts working with youth as early as grade 7 in learning about the opportunities they have in the trades and in agriculture, with the green certificate.

**9:20**

We work with the schools in developing a more applied curriculum. It still covers the same learning outcomes that are required of all other students but an applied curriculum. We have opportunities for job shadowing, and by the time that they reach grade 9, they're able to work with employers and start developing skills. So there's a close connection between what they're learning in school and what

they can use that learning for. We're just finishing the third year of that program and are doing some evaluation with that.

In addition to that, we're running an essential skills program with some aboriginal colleges as well as NorQuest College and developing the types of skills and knowledge that are required in order to become an indentured apprentice. Those programs are just being completed now, and we'll be evaluating the success of those as well.

**Mr. Chase:** Thank you.

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

Mr. Dallas, please, followed by Mr. Kang.

**Mr. Dallas:** Thank you. Dr. Trimbee, looking at the overview in core business 1, goal 2, page 13 on the ministry report – which, by the way, I felt was very well organized in terms of a view to a quick look at the business of the ministry – I was looking hard for investments with respect to ESL training and supports, given the discussion around postsecondary participation rate. I wonder if you could speak a little bit to the efforts or funding envelope that supports not only adult literacy programs but specifically ESL.

**Dr. Trimbee:** On that I will say that we work with Employment and Immigration on ESL programs. They help a lot of learners in Alberta. I'm going to get Gerry to speak to the numbers, but we have a variety of approaches, and the approaches we have to improve literacy are very grassroots driven. There are networks throughout Alberta with a long history of working with individuals to improve their literacy.

If you could maybe add some of the context from the numbers perspective.

**Mr. Waisman:** Okay. From the literacy perspective in the year 2006-07 we funded 72 volunteer tutors; we assisted 2,000 adults; we provided more than 89,000 hours of tutoring support for reading, writing, numeracy, and English language skills, just to give you some numbers.

**Mr. Dallas:** As a supplemental and just sort of following along this train of thought, I recognize that these ESL responsibilities belong in another ministry. I guess that my question is with another ministry as well with respect to high school completion. It's pretty clear that in achieving better outcomes in terms of the postsecondary participation rate, we need to have an impact on high school completion. One of the frightening statistics is with respect to completion rates of recent immigrant children and what impacts ESL and literacy supports for adults might have with respect to those completion rates. Is there a desire of the ministry or an investment of the ministry to support EII and also the K to 12 system in terms of how to impact completion rates and then get a better outcome in terms of participation rates at the postsecondary level?

**Dr. Trimbee:** Well, we do work cross ministry. We are working on a co-ordinated approach to improving lifelong literacy. In the situation you described, one of the things we do is help adults with literacy, and we do so by working with the family. One of the ways to actually influence literacy is to actually work with families. In that regard you get a positive outcome both from the perspective of the children in school and the adult. So we are taking a cross-ministry approach, and I think that is key.

**The Chair:** Okay. Thank you.

**Mr. Kang:** On page 50 of the report, as a result of a \$91 million

deficit in operating costs, the total net assets held by the department of infrastructure and transportation ended up in a 1 and a half million dollar deficit situation. What caused the \$91 million deficit in operating costs? That's on page 50.

**Mr. Bartlett:** In terms of that one, the way some of the programs work: the government allocates lottery funding to individual programs within government, but it doesn't necessarily fund the entire program. In some cases it funds a portion of the program. So what you're seeing there on that line is capital expenditures. A portion of them are funded by lottery funds, which is what the \$16 million in revenue represents. The expenses of \$107 million represent the total spending.

**Mr. Kang:** So is there any mechanism in place to ensure that operating cost overruns don't continue to affect the infrastructure assets?

**Mr. Bartlett:** No. I don't want to sort of leave you with the impression that there was a deficit there. What happens is that the balance is funded through general revenues. So the program receives funding from two sources. It receives funding from lottery fund, and it receives funding from general revenue. What's showing on here is just the lottery fund piece. The other portion is coming from general revenue. So there's no deficit when you look at the government overall.

**The Chair:** Thank you.

Mr. Fawcett, please, followed by Mr. Taylor.

**Mr. Fawcett:** Thank you, Mr. Chairman. There's been some discussion about access and spaces to meet demand. On page 25 of the annual report it talks about new apprentices registered. The first question that I have is surrounding the target for I believe it's the five-year average of apprenticeship registrations. Can someone explain to me why the target of 15,000? Is that an arbitrary number?

**Ms Dul:** Perhaps I could speak to that. Apprenticeship is doing very well. Employers are really stepping up to the plate and registering apprentices. Our previous five-year average if you went back prior to, say, 2005, was about 12,000 to 13,000. What we're working towards is increasing the average number of apprentices coming into the system on a long-term basis. Certainly by year in the last few years we've been doing very well. In the 2006 year 24,000 new apprentices were registered. In the year 2007 it's close to the same number. We realize that there will be fluctuations in the economy, but overall what we're trying to do is build the number of people coming into the apprenticeship and industry training system.

**Mr. Fawcett:** My supplemental. When I talk to employers, what they don't need is – I say this, and I have a degree in political science – more political scientists and that sort of thing. What checks and balances are there within the postsecondary system to ensure that the capacity that we are bringing on is in the right areas that meet the growing demands of our economy and our skilled workforce?

**Dr. Trimbee:** One of the things we talked about was the enrolment planning envelope. What we do is look at what industry needs, and we try and use that money to target particular areas. This is on top of base operating grants. Not only do we want to respond to the learners and to respond to current industry, but we actually want to make sure that our postsecondary institutions are helping us grow the

kinds of people we want for Alberta's future economy. So I hear you. We also hear from the institutions and from others on the value of the political scientists and the English majors and the fine arts graduates, so we try and find that balance and meet today's needs as well as have that resilience to meet tomorrow's needs. We use funding as a lever to try and get the system to move in the direction we need it to.

9:30

**The Chair:** Mr. Taylor, please, followed by Mr. Vandermeer.

**Mr. Taylor:** Thank you, Mr. Chairman. I may be skating on the edge here because I am referring to a couple of charts in the annual report, but I'm doing so to ask you a question going forward. On page 21, the educational attainment of Albertans aged 25 to 64, you're meeting the target, and you're saying that "Alberta is on par with the Canadian average, however, the number of Canadians completing post-secondary education is increasing at a faster rate." You note that "Alberta's strong economy, with ample employment opportunities, may affect post-secondary completion rates."

On page 25, again, participation in postsecondary education: "18% of 18-34 year olds in Alberta were participating in post-secondary . . . in 2006." That missed your target of 21 per cent by some 3 per cent. You note again that "enticing labour market opportunities in Alberta may be causing learners to delay participation in the advanced learning system."

I guess my question has to do, going forward, with how you are tracking this or how you will track this to know whether the system is capturing enough students, the right kinds of students, whether it's recapturing them from the labour market, or whether we're losing them to the labour market and not getting them back when we should.

**Dr. Trimbee:** Your question is one of measurement, and I'll see if Bill has anything to say there. We do have the means to get the information we need to pay attention to this, and part of this is a need to actually drill down and look at, you know, the various factors that affect participation, recognizing that they're not necessarily the same for all of the individuals within those broad cohorts. We do have the ability to drill down. Our institutions have the ability to drill down. We do need to come up with specific strategies in specific areas.

If you look at some of the factors that influence participation rates across the spectrum, when the economy is doing really well, we're less busy, and in some of the other provinces in Canada where they're having issues, their institutions are going to get very, very busy. We also pay attention to affordability. We've had a fair amount of discussion on that. We have very good programs relative to the rest of Canada. We also look at whether there are areas in that cohort that are underrepresented. Like I said, we do have the means to drill down and get some of that data.

I'm not sure if I'm answering your question or if you'd like my performance measure guy to give a little more on that. Would that be helpful?

**Mr. Taylor:** It might be. You are leading into my next question, but let's hear what your performance guy has to say.

**Mr. Spaans:** The two statistics that you're referring to are both based on Statistics Canada data. In that regard, the strong economy is really a two-edged sword for us. On the one hand, it attracts many highly qualified people into the province. For the first measure that you referenced, educational attainment of Albertans, that's going up,

not necessarily because we're training our young people but because we're attracting many highly qualified people into the province. The other side of the sword, though, is that with the strong economy many of our young people are choosing to delay going to postsecondary education, so our participation rates are low.

Now, I think there was a reference earlier to the fact that we have many more students participating in the system, but proportionately we can't get the ratio to go up because even as more students participate, the denominator also goes up because that's the entire population. So getting that participation rate to go up is very difficult, even though we are able to entice people into postsecondary institutions.

We can break these statistics down more finely, and we've done that. When we look at the participation rate, for example, we find that the softening is primarily at the two-year types of programs, the diploma programs, not so much at university, but there's quite a bit of softening at the two-year programs.

**Mr. Taylor:** Do I have a supplementary?

**The Chair:** Yes. Please proceed.

**Mr. Taylor:** Thank you. I'm interested in what the department is doing strategically about this. You are missing your target for participation among 18- to 34-year-olds. We do know that some of our 18- to 34-year-olds leave high school either on or before completion, go into the work world for a while, and then come back into the educational system, but we know that some of them are gone forever as well. You obviously want to get up at least to your target of 21 per cent. Strategically what are you doing about it?

**Dr. Trimbee:** Well, again, we're working on a number of fronts, so looking at affordability, looking at accessibility. We haven't talked much about it today, but a number of our institutions are looking at making things easier for that student to come back after being in the workforce for a while because, as you know, the traditional postsecondary institutions were very much geared to young people learning. The institutions are responding, and they are looking at different ways to get to that more mature student. That's one of the strategies that we are working on. We are working on those transitions to make it more possible for people to get back into a postsecondary environment and learn in a way that matches, you know, their complicated lives, right? As Gerry mentioned, we have a lot more students that are not dependent on their parents.

**Mr. Vandermeer:** I know you've been talking about this on a number of questions that have been asked, but specifically what is your ministry doing about the skilled labour shortage?

**Dr. Trimbee:** What we do with other departments is to connect with industry, figure out what industry is wanting, use the levers we have through our funding to try and get the institutions to be more responsive; for example, the whole apprenticeship area Shirley works very closely with. We've worked also with Health and Wellness and with the health authorities on that. Collectively what ministries are doing is trying to get ahead of the curve. We are in a labour shortage. We are working very hard on a couple of fronts.

I don't know if there's anything Shirley can add from an apprenticeship perspective, but before we even get to that, the health workforce is one area where we're working on many fronts. We're not only trying to grow more of our own health care professionals in the province; we're working with Employment and Immigration to try and make it easier to get employees from other parts of the

world. Similarly with apprenticeships not only are we expanding the seats in Alberta; we're making it easier for individuals moving to the province to have their credentials recognized. When I say easier, I don't want anybody to think we're lowering the quality standards. What we're trying to do is make the bureaucracy work better.

**Ms Dul:** Maybe just to add to that. Working with employer groups and employer associations in promoting them doing training and starting with apprenticeship. In addition to that, working with the high schools. A transition of school to work so that people in the high schools can register as apprentices and earn credits towards their completion of apprenticeship at the same time as they're completing high school. Also, we are the co-chair of Building and Educating Tomorrow's Workplace, which is working with specific sectors in developing work plans with those industries to inform, develop, attract, and retain people in each specific industry together with the people who are closest to it.

**Mr. Vandermeer:** Is there anything in particular that you do to encourage new apprentices to complete their programs?

**Ms Dul:** There are several initiatives that are happening. One of them is that we work with the postsecondary institutions to work with apprentices who once they get to school might be challenged with some of the academic skills that are required to do the technical training portion of that. In addition to that, we're working with industry to develop mentorship programs, and there have been some successful ones at some of the large industrial sites, where they've got specific initiatives where specific people are identified to work with apprentices and assist them in moving through and progressing and getting broad-based training. In addition to that, something that's new, not in this program year, is developing the industrial construction crew supervisor program, which will again upgrade the skills of supervisors, and supervisors, of course, determine the quality of the workplace or work towards that. So we think that that'll also assist.

**Mr. Vandermeer:** Thank you.

9:40

**The Chair:** Thank you.

Mr. Chase, please, followed by Mr. Jacobs.

**Mr. Chase:** Thank you, Mr. Chair. Ms Dul in response to my question about increasing postsecondary participation for First Nations students indicated an intriguing specific outreach program for students in grades down to junior high school. Having taught for 34 years with the Calgary board of education, I have concerns especially for English as a Second Language students, 75 per cent of whom fail to complete high school in five years. Does the advanced ed ministry have a similar outreach program, or does it work with the Ministry of Education to reach out to and support these vulnerable English as a Second Language students?

**Mr. Waisman:** We support a number of nonprofit organizations, as we talked earlier about when I gave you those statistics. A lot of those statistics are those people that we were talking about earlier. But we do work with the other ministries in supporting them, too.

**Mr. Chase:** Okay. Thank you. I don't know to what extent or to what effect. I like the specificity of Ms Dul's explanation.

The high school completion rates for Alberta-born English as first language students is among the lowest in Canada, with failure rates

of over 25 per cent. Calgary's urban campus concept was partially designed to reach out to high school graduates whose marks were below the 85 per cent plus entry level expected for regular academic postsecondary programs. What was done by the ministry in the 2006-2007 year to turn the urban campus concept into reality? Do you need qualifications to Bow Valley, U of C, the five institutions?

**Dr. Trimbee:** No. The urban campus is still a work in progress in terms of the concept and the participants. As you know, there are several institutions in Calgary that are looking at ways to collectively meet their needs and take advantage of the opportunity provided by the city of Calgary around some prime real estate. So that is still a work in progress. We have been working with them to understand and clarify their needs, but at this point it's one of the priorities on the capital plan without a lot of detail on the specifics from a programming and a cost perspective. We hope to sort that out soon.

**Mr. Chase:** Thank you.

**The Chair:** Thank you.

Mr. Jacobs, please, followed by Mr. Kang.

**Mr. Jacobs:** Thank you, Mr. Chairman. On pages 22, 23, and 24 of the '08 report there are some recommendations made by the Auditor General regarding noncredit programs. Recommendation 1 on page 22 is that the department "clarify its standards and expectations for non-credit programs and clearly communicate them to public post-secondary Institutions." As I read further, I gather that there are some inconsistencies or problems with delivery of noncredit programs. So I guess my question to the department is: what changes do you expect to make in regard to the delivery of noncredit programs by postsecondary institutions?

**Dr. Trimbee:** The first thing we need to do is get a consistent approach to determining the costs of delivering those programs. Then we need to clarify our policy intent and this government's policy intent that noncredit programs should be fully sustainable outside of the public funding. We have to clarify that. Another alternative is that we could say to the postsecondary institutions: "You know, at a minimum you need to fully recover costs. You also have the room to try and generate revenue." This means that they have to understand the costs of delivery, and they would have to be able to set a price that would meet the market. But as I mentioned earlier, the noncredit programs do offer a value to Albertans, and it might be a value that government considers is worth while supporting in part.

**Mr. Jacobs:** I would agree that that's probably true. But I'm surprised to read this and get from your comments the fact that noncredit programs aren't necessarily paying their way and that they may be being subsidized by the taxpayers' dollars. If that's what we're going to do, okay. But let's make sure we understand that. Hopefully, your department will proceed to make sure that information is available to us and that the discussion is at least had.

**Dr. Trimbee:** You're right. The first step is to understand the cost. Then there's a policy conversation that will occur.

**Mr. Jacobs:** Thank you, Mr. Chairman.

**The Chair:** Mr. Kang, please, followed by Ms Woo-Paw.

**Mr. Kang:** You've already answered part of my question about skilled labour, about foreign-trained doctors and nurses coming here. You said you're working with the bureaucrats. I have been hearing for a long time that we're working with the bureaucrats, but nothing concrete is coming out of this.

When they apply for immigration offshore and they are coming here as doctors and nurses, they believe that they will be able to work in their professions, but when they come here, you know, they run into this brick wall. Their credentials are not recognized, and there's no program in place where we can fast-track them into their professions. Then they just get disgusted with the whole system, and they end up driving cabs or doing janitorial jobs.

I don't think the department is doing enough on that. We can speed that up, and that will alleviate some of our skilled-labour shortages. Does your department have a program in place where our universities and colleges from here can collaborate with offshore colleges and universities to train the doctors, you know, so their standard of education is at the same level as ours, so that when they immigrate here they will have no problem?

I had this gentleman visiting from India. They run a nursing school, and he was trying to get some information on, you know, how they could implement . . .

**The Chair:** Could you get on with your question, please.

**Mr. Kang:** Okay. So does the ministry have any program in place where they could go with offshore universities and colleges to bring the education to par?

**Dr. Trimbee:** The short answer is that that is something we want to really focus on in the future. Some of the context for your question: we have been working very closely with Health and Wellness and Employment and Immigration and the health sector specifically on nurses. Remember that nursing is a self-regulated profession, so the college of nurses actually looks at the credentials and basically gets to give people approval to work here in advance of their employer hiring them. We have worked very closely with them to improve their processes to make it easier for people to get through that process. Our postsecondary institutions – for example, Mount Royal College – play a key role in that, a key role in assessing the qualifications and a key role in helping nurses that have a piece of what is required to do that job in Alberta, to help them fill that piece.

We do have a number of situations where we go to other countries and look for opportunities to collaborate from both an innovation perspective and a postsecondary perspective. I think you're absolutely right. It is about making those connections. To be honest, we want to get a number of those graduate students from some of the other countries that you mentioned into Alberta.

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

**The Chair:** Okay. Thank you.

**Ms Woo-Paw:** I do want to make a few comments leading up to my one question. My question is around strategies to increase participation by aboriginal and immigrant populations. I appreciate some of the earlier questions around the learning needs of immigrants, and I would like to move the focus of the learning needs of immigrants from literacy and even high school completion rate to the access and participation in postsecondary institutions and advanced learning. I want to move that from literacy, from completion of high school to

actually think about the access and participation of this population in postsecondary institutions.

**9:50**

Within the next decade we know that immigration will become the number one source of our population growth in Alberta. So ensuring that this growing population has the capacity to participate in our economy would be in the interests, I think, of government and all Albertans. What some of the immigrant population needs is like what many institutions have done so well in accommodating people with different abilities, such as providing a ramp for people in wheelchairs. What some of this population needs is access to user-friendly information and the skills to navigate our wonderful systems. We have wonderful services, learning opportunities for people, but so many of the people need just a little bit more language support, just a little bit more so that they could participate in postsecondary learning.

Most of these people don't even know all the apprenticeship programs we have in Alberta. Their parents simply don't know what to do with their kids when they cannot finish high school, and they're not aware of the learning opportunities out there.

Also, if I may use myself as an example, when I came to Canada at age 15, I could not speak a word of English. I did manage to go to university and participate in society. This is the population I want to think about. Kids who come to this country may not be able to speak when they first come to Alberta, but they do have the potential and the ability to participate in our advanced education and participate fully in our economy.

But when I look at goal 2 on page 24, I do not see the kind of reporting target performance measure that was included relative to participation rates of the ESL population like we have for the aboriginal community. My question is: will performance measures on the participation rate of the immigrant population be included in future reports?

**Mr. Waisman:** I can comment on some of the things that we're doing. In your preamble you mentioned a lot of things to do with communications. The apprenticeship board is active in communications. In the student finance area we spend a lot of time raising awareness and going out to various groups and explaining what services you can provide. The Alberta learning information system, entitled ALIS, has redesigned its system. It's much more user friendly. We are looking at, as one of the members asked about, redevelopment of our student finance. Again, all this is to try to aid people in order to get information at their fingertips so they know what's going on and can assist these individuals.

**The Chair:** Thank you. We have a shortage of time and we still have members interested in questions. However, it has been a tradition of this committee that we read our questions into the record for the benefit of *Hansard*, and if the department could provide a written response through the clerk to all members, we would be grateful.

We still have four members that have questions, and we will start with Mr. Johnson. If you could read your questions into the record, please.

**Mr. Johnson:** Okay. My questions have to do with some of the things that have been mentioned here today, which are capacity issues, qualified students being turned away, increasing participation rates, affordability, accessibility. One thing I don't see in our summary of key activities – maybe it's just myself, and I've missed it, but virtually every university nowadays is getting into different

delivery methods, distance education. This keeps people in the workforce, allows them to learn at their pace, their cost. They don't have to come to Edmonton and leave their job and rent accommodation. What are we doing as a ministry to invest in those delivery methods – distance education – helping these institutions collaborate on this so that we're not duplicating tasks or delivery methods and courses?

My second question is with regard to adding programs and, again, increasing capacity. I see that, you know, we've added a number of programs and degrees, nursing degrees, I think, Grant MacEwan and several others. I'm wondering what the process is around institutions adding programs, adding degrees. I believe it's fairly lengthy. I'm wondering what that process is, if you could articulate that, and what the ministry's doing to streamline that or reduce bottlenecks or make that more efficient so that we can get more of these programs online faster for the institutions where we need people getting through these programs and into the workforce.

Those are my questions. Thanks.

**The Chair:** Thank you.

Mr. Chase, please.

**Mr. Chase:** Thank you. Our postsecondary institutions like the University of Calgary, from which I graduated in 1971, are aging, and of course the University of Alberta is that much older. Alberta's postsecondary spaces are not only in short supply, but our existing facilities are deteriorating. In the 2006-2007 year what initiatives were undertaken to deal with our deteriorating infrastructure, and were there any plans in that 2006-2007 year or in your three-year plan to address the infrastructure aging?

**The Chair:** Thank you.

Mr. Bhardwaj, please.

**Mr. Bhardwaj:** Thank you, Mr. Chairman. My question is regarding the apprenticeship program and the scholarships. I'm just kind of curious about how much in scholarships is being given out to various trades and if there is a particular trade which is attracting more apprentices than the others.

**The Chair:** Thank you.

**Mr. Kang:** My question is regarding the scholarships, too. On page 39 the number of new graduate student scholarships decreased by 28, or 36 per cent. What is being done to ensure that these numbers return to the levels seen in the previous two years?

Thank you.

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

That concludes this portion of the meeting. Dr. Trimbee, I would like to on behalf of the committee express our gratitude to you and your staff for your time this morning. We appreciate it, and we wish you the very best in the upcoming year. We have other matters on our agenda. Please feel free, if you wish, to exit. Again, thank you.

We will move on to item 5 on the agenda, but the chair would like to note and remind everyone that the research material that is provided through the ability of Philip Massolin, our research co-ordinator, is available to the public from the committee clerk. Each of the briefs that he has presented is available to the public through the clerk. Okay? I would also like – and I was remiss earlier – to advise that the briefing material was posted for viewing and printing on Friday and that the Auditor General's response to questions asked at the April 23 meeting was posted yesterday on the website.

Now, item 6, Other Business, is the delegate selection for attendance at the Joint Canadian Council of Legislative Auditors and the Canadian Council of Public Accounts Committees conference. Traditionally the chair and the deputy chair and the committee clerk attend this conference. This year it's in the Yukon Territory, and it is being hosted by the territorial government and the federal office of the Auditor General. This conference, again, is in Whitehorse, Yukon, from September 7 through 9. As Alberta will be hosting this conference in 2009, I as chair am certainly willing to participate and attend this conference. I was at the one in Victoria last year, and I found it very informative. The deputy chair has also indicated his willingness to attend this conference. Does anyone wish to discuss this conference or move a motion that we attend?

**Mr. Dallas:** Mr. Chairman, I'm prepared to make a motion on that matter. But before I do, I wonder if very quickly I could just ask you to confirm to the committee some direction for next week. On the agenda that we had for this week and, I presume, for next week there's a section at the bottom called Documents Required. I believe you mentioned at the beginning of the meeting that we were addressing issues with respect to the '06-07 ministry report and the Auditor General's report, and again today there were a variety of questions and references to the '07-08 Auditor General's report. So could we clarify what materials we're going to review and discuss at next week's meeting?

**The Chair:** Yes, certainly. For all members, questions delivered to the respective officials from the department of health should be from the 2006-07 annual report from that department and the Auditor General's report that was just released and the reports from last fall, volumes 1 and 2, plus the government of Alberta's annual report from 2006-07, which was made publicly available last fall.

**10:00**

There's always this difficulty with this committee, Mr. Dallas, as to what is a question of public expenditure and what it means as a line item and what is government policy. The chair does his best to deal with public accounts, which is how the money was spent, where it was spent. This has been an ongoing issue for some time with the committee, but we're here to deal with the money essentially, not the policy. The chair to date, since we started this session, has been very lenient because we're all learning the rules of Public Accounts, so to speak. I hope that clarifies it for you.

Mr. Dunn, do you have anything to add at this time?

**Mr. Dunn:** What is missing here is the Auditor General's report of April 2008. Just to remind everybody, although all ministries, departments, and many of the organizations have March 31 year-ends, there are a number of entities within the public sector of Alberta with non March year-ends. A lot of the ones we just talked about today have a June 30 year-end. It was the June 30, 2007, year-ends that got included in our April 2008 report.

**The Chair:** Just before we get to Mr. Chase, Mr. Dallas, Innovation and Science was also included in the discussion this morning because of the new cabinet order.

We will need sections 1 and 2 of Health and Wellness next week, the AG's report, volume 2, the report of the Auditor General from April 2008, and the consolidated financial statements of the government of Alberta.

Mr. Chase, on this point.

**Mr. Chase:** Thank you. To speed up the process, I'd move that

Chairman MacDonald and Deputy Chairman Lund be approved by the committee, if that's necessary, to go to the Yukon conference and represent us.

**The Chair:** And the committee clerk.

Mr. Dallas was willing to do that, I understand. You had another point to make?

**Mr. Dallas:** No. Thank you for the clarification there.

I'm prepared to support that motion as long as the committee clerk is included. Would you like me to read that in?

**The Chair:** Yes, please.

**Mr. Dallas:** I would move that

the chair, the deputy chair, and the committee clerk be approved to attend the 2008 Canadian Council of Public Accounts Committees conference in Whitehorse, Yukon, from September 7 to 9, 2008, and that an alternate be determined by lottery in the event that any of the approved delegates are unable to attend.

**The Chair:** Thank you.

Can I have a vote on that motion, please? All those in favour? Opposed? Seeing none, thank you.

**Mr. Bhardwaj:** My question was, I guess, somewhat answered. Are any other members allowed to go on that as well? We had a meeting with the Speaker about some of the areas where we could participate, and this was brought up as well. Would any members from this committee be allowed to go and attend the conference?

**The Chair:** In the past Legislative Offices has sent a delegation to this conference.

**Mrs. Dacyshyn:** That's correct, Mr. Chair.

The committee budget only has budgeted funds for two members and myself to attend. If it was the wish of this committee to pursue having another member attend as well, we could pursue that with the Clerk Assistant about finding the funds in the overall committee envelope. If that's the wish of the committee, you can ask me to do that.

**The Chair:** Would you like the clerk to proceed?

**Mr. Bhardwaj:** Yes, please.

**Mrs. Dacyshyn:** One more position?

**Mr. Bhardwaj:** As many as you can accommodate, whoever wants to go through their legislative office if it's possible. I'm not sure what the procedure is.

**Mr. Lund:** It's a budget issue.

**Mrs. Dacyshyn:** Because it's a budget issue, I think I'd be more comfortable if your motion actually specified a number of additional spots that you might be interested in pursuing. Then we can speak to the members of the committee to find out who's interested in going if the budget is approved.

**Mr. Bhardwaj:** Let's go with two, then.

**Mrs. Dacyshyn:** Okay.

**The Chair:** We will look into that, and we will report back to you next week. Is that fair enough?

**Mr. Bhardwaj:** Thank you.

**The Chair:** I would like to ask any members interested in being alternate attendees to advise the committee clerk before next Wednesday of their interest, and the alternate will be chosen by lottery at the next meeting. Mr. Vandermeer, you expressed an interest earlier in attending, and I appreciate that.

Now, under Other Business, item (b), the committee schedule. This is an issue that I think we need to address in the near future. First of all, the committee schedule has ministers booked on June 4, 11, 18, and 25 of this year. In the event that session ends prior to June 25, is it the committee's wish to hold these meetings as scheduled? If the business of the Legislative Assembly is finished before these meetings are to be conducted, what would you like to do? Or would you like to think about this for a week?

**Mr. Dallas:** Well, I think we could come back and have some discussion, but my inclination is that we should proceed. We need to work our way through these, and it would make more sense to continue, by my take.

**The Chair:** Okay. Well, further to this, last year the committee held four days of out-of-session meetings. That was the first time that this committee did this here in this province. There were two days in September that we met with four regional health authorities and two days in October with four advanced education institutions. If the committee wants to consider doing that again, the committee clerk has a list of all the agencies, boards, and commissions, if any members are interested in looking at this. The chair is seeking direction from the committee as to how we would like to proceed.

**Mr. Lund:** Mr. Chair, I think it might be useful if we were to circulate that list and then, when we bring this forward again, have committee members prepared to suggest any boards, agencies, or commissions that they would like to have appear as opposed to just departments. I mean, that's assuming that the committee agrees that they want to meet outside of session.

**The Chair:** Okay. Thank you.

The chair would like to remind members of the committee that it takes a while to set up these meetings. For instance, you just can't phone a regional health authority and say: come on down next week. They need time to prepare. So it takes a while, and it would probably be September or October before we could make arrangements. I think it's only respectful to give these agencies, boards, and commissions time to get ready if they wish.

We will put this on the agenda for next week. Corinne has the list of agencies, boards, and commissions, and it will be circulated.

**Mrs. Dacyshyn:** I already have.

**The Chair:** Oh, you already have? Thank you.

If you could let us know, next week we will set aside time in the agenda to get this organized. Is that fair enough? Okay.

The research subcommittee. I will be in touch with the research subcommittee so that we can meet to discuss research priorities for upcoming meetings. Philip has been doing an excellent job. I find the information that you are providing to the committee very informative, and I'd like to thank you.

The date of our next meeting is next Wednesday, May 14, at 8:30 in this room with the Hon. Mr. Ron Liepert, Minister of Health and Wellness.

If there are no other items, may I please have a motion to adjourn. Mr. Johnson. Thank you. Moved by Mr. Johnson that the meeting

be adjourned. All in favour? Opposed? Seeing none, thank you very much.

The chair apologizes for going overtime.

[The committee adjourned at 10:10 a.m.]





