

Legislative Assembly of Alberta

Title: **Thursday, April 23, 1992**

8:00 p.m.

Date: 92/04/23

head: **Committee of Supply**

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Order. It being 8 o'clock, the Committee of Supply will begin considering the estimates of the Department of Advanced Education, but before doing so, could there be consent by the committee to revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed? Carried.

The hon. Minister of Public Works, Supply and Services.

head: **Introduction of Special Guests**

MR. KOWALSKI: Thank you very much, Mr. Chairman. I thank you and I thank the members of the Assembly for that opportunity. In the members' gallery tonight are three young farmers from the Barrhead area who have been meeting with the Associate Minister of Agriculture, and I'd like to introduce them: Dale Bentz, Lorne Bentz, and Bryan Radke. I'd ask them to rise and receive the warm welcome of the Assembly.

head: **Main Estimates 1992-93**

Advanced Education

MR. CHAIRMAN: The hon. Minister of Advanced Education.

MR. GOGO: Thank you very much, Mr. Chairman. I welcome the opportunity of being the first department to present for consideration of the Committee of Supply estimates of \$1,075,000,000 for what I believe to be the finest postsecondary system of education in the nation. I'd like to say at the outset that our 27 institutions . . .

MR. CHAIRMAN: Order please. Could there be order in the committee so that the minister can be heard.

MR. GOGO: . . . with over 115,000 students in credit programs plus another 350,000 who access the postsecondary system across Alberta I think represent in a very significant way the very high priority the government of Alberta puts on education and training as really the strength of not only the future of the individual but the future of both the province and the nation. We've long believed that our ability to compete certainly internationally as well as nationally lies more in the skills of our people than it does in our natural resources. This surely has been brought to the attention of all Albertans in the past 12 months. When I was elected, Mr. Chairman, 50 to 60 percent of our total resources as a government in this province depended on gas and oil, nonrenewable resources. In those days coal was even important. Today less than 19 percent of our total budget comes from those resources. So very clearly we're looking at, I think, the future in terms of training and education, certainly with regard to Toward 2000 Together as being a very significant instrument for indicating to us as a government how we can influence the postsecondary system and which direction we should go.

The other item I wanted to say at the outset, Mr. Chairman, is how fortunate we are in Alberta to have a system whereby our

institutions are all board governed. The exceptions to that are our four vocational colleges, whether they're in Lesser Slave Lake in the north, Calgary in the south, Lac La Biche, or here in Edmonton, which handle some 20,000 people a year, people who for a host of reasons cannot access the normal public system of our colleges or universities. It's these boards of governors – and they represent, I suppose, in aggregate some 250 members appointed by government on the recommendations of a variety of people – along with the faculties and the support staff in the institutions who concentrate their efforts, in my view, to seeing that the whole focus of this department and the priority of the government is the student. I don't think we have to take a backseat to any province in terms of the attention we give and the funds we give towards allowing Albertans to become well educated and well trained.

Very clearly, if one looks at the record, some things stand out, Mr. Chairman. In Alberta we have the highest participation rate in the nation in terms of postsecondary education. That's a major, major achievement, to have the highest participation rate of any province in Canada. We have the second highest percentage of the total labour force in the nation with postsecondary education. That's another significant achievement, and we in Alberta, according to Stats Canada, have the highest number of literate people in the nation.

Now, we can't do it alone, and it's not all academically driven. We have now in Alberta some 30,000 students who are involved with work experience programs of different types. We know that we have roughly 10 percent unemployment in the province relative to 12 percent in the nation. We find that those with a university degree have about 4 percent unemployment and those with a technical institution or college diploma around 4 and a half percent. So very clearly there's a direct correlation between those who are employed and those who have access to and achievement in a postsecondary system. So the demand, Mr. Chairman, remains extremely high, and we'll deal, I'm sure, with problems such as access and so on in terms of answering questions here in the estimates.

Ten years is not a very long time, Mr. Chairman, for someone that's been a member here 17 years. Just looking at the past 10 years in terms of university enrollment alone, that's increased by over 20,000 student spaces. That's equivalent to the entire University of Calgary. So in the past 10 years universities alone, in terms of spaces provided and funded by government, have grown by 20,000. In the college system we have 13 community colleges. We have an increase of 77 percent, or 11,000, in terms of enrollment. That's equal to the combined enrollment of the two larger colleges, Grant MacEwan here in Edmonton and Mount Royal in Calgary. That's just over a 10-year term. So I don't think anybody can criticize the lack of postsecondary educational opportunities here in the province.

In addition to that, Mr. Chairman, whether you're at Fairview in the north or Medicine Hat in the south, if you look at our 27 institutions and add AVC at Lesser Slave Lake and the other vocational colleges, we have over four and a half billion dollars of taxpayers' money invested in bricks and mortar. That's a very significant contribution I think to the system. Mind you, it's expensive to maintain, as I'll comment in a moment.

Mr. Chairman, with regard to the students it's our policy and has been our policy for sometime that any qualified Albertan who is motivated will find a space within our system of postsecondary education. They may not attend the institution of their choice or necessarily the program of their choice, but just dealing with the university scene alone, we have seven colleges with university transfer programs, we have three residential universities, and of

course we have the famous Athabasca U. Last year 98 percent of all those Albertans, which number just about 50,000, who wanted to go to a university or take a university program had that opportunity; 98 percent of those who wanted and were qualified had that opportunity.

For those who believe that university education or college education or SAIT or NAIT education is only for the wealthy or the well to do, the facts spell out something totally different. We allocate, as members will see in vote 3 tonight, substantial funds to ensure that any motivated Albertan who qualifies will have the financial resources available from the taxpayers of Alberta to access that system. How that's changed from 25 years ago. So that's a very major commitment by the taxpayers of Alberta.

8:10

We have something uniquely different in Alberta, Mr. Chairman, that other institutions don't have, and that's what we would call a disadvantaged student. The disadvantaged student would also include the single parent. So where we provide student loans plus grants to the student who qualifies for a student loan, we supply another roughly \$30 million to single parents and other disadvantaged students in order for them to access the system.

Now, as chairman of the Council of Ministers of Education I obviously am in contact with all the ministers across the nation, and they look to Alberta with great envy because they don't have that. They can't afford that. They look at Alberta and they see the following: one of the finest financial assistance programs in the nation, particularly when it deals with disadvantaged students. They look at a system where we provide over \$2 million to handicapped people through interpreting services in our institutions. They look at a system that has the finest network of any province in Canada for offering certificate, diploma, and degree programs through its 27 institutions.

Too often people think the be-all and end-all of education lies in university degrees. Quite the contrary. Because of our 116,000 students in the system, we have on balance about 55,000 in university programs and 55,000 in diploma and certificate programs. I wish and hope that hon. members would stop for a minute and understand that the University hospital across the river, which is the largest hospital in Canada with 1,200 beds, and the Foothills hospital in Calgary wouldn't exist for 10 minutes without SAIT in Calgary and NAIT in Edmonton, because universities do not train medical technologists. That's done by the technical institutes. It's done by the Mount Royals and the Grant MacEwans of the system. Too often we seem to feel that our whole strength lies in a university degree. Well, I would point out, Mr. Chairman, that without our apprenticeship programs, without our upgrading programs, without our certificate programs, without our medical technology programs most of our institutions, certainly in the public health area, couldn't function. So I think we should be very proud of that.

On January 9, Mr. Chairman, we announced a 3 percent increase to our institutions here in Alberta, 26 and a half million dollars. If we have a million taxpayers – I don't know whether we have a million taxpayers any more – that's \$26 for every single taxpayer. Now, for people who don't think that's significant, then I ask you to look at Saskatchewan, our next-door neighbour, which didn't have a 3 percent increase – they subtracted one – or look at British Columbia or look at Ontario, which has had a claw-back. Now, many people may argue that we shouldn't be having the deficits we're having, but our view is that education is an investment and anything we can do to maintain those very high standards and solve access problems is really an investment, and

therefore it's justified to have that operating deficit in order to maintain those high standards.

Two final points that I think are of great significance. I mentioned earlier that we have 4 and a half billion dollars in bricks and mortar. You know, we build an institution. We use the Alberta Capital Fund to do that, where we repay it over 35 years because we say the average life of an institution is 35 years. I don't know how true that is. If you look at Lister Hall at the U of A, it's falling down at 25 years, but I don't want to be critical of engineers and architects. We base the project on 35 years and pay it back over that period of time. Out of this year's operating budget we've got to find \$16 million to repay that portion. We don't pay interest; the Treasurer pays the interest.

Buildings grow old and they must be maintained, and I think this is extremely significant, Mr. Chairman. If you look at all our institutions, we have almost \$600 million of deferred maintenance that has to be done. We can go one of two ways. We can ignore that maintenance. Members are probably familiar with Lister Hall, that students' residence across the river which was condemned just a couple of years ago and had band-aids to keep it going. One can look at what happens when you don't do maintenance. For example, the University of Calgary, which is just a quarter of a century old, is just a kid in terms of the life span of a university, but it's got a hundred million dollars of maintenance required over the next 10 years.

New buildings are not my priority, Mr. Chairman. It's maintaining what we have that's a priority. For those that don't learn from history, just read last week's news in Chicago. A \$10 million repair job that was not looked at is estimated to cost \$550 million. Many of these maintenance problems are in the ground and you don't see them, but they've got to be done in institutions and government. This department has to ensure somehow that those funds are found to maintain those buildings and not just build new ones. Every time we build a new building and turn the lights on, we've got to find \$55 for every square metre of that building, not for teaching anybody – and that's what they're for – you know, just to maintain them: keep the lights on, have the water running, and security. So it's very expensive.

The point I want to make – I think it's very, very important – is that maintaining those buildings is critically important. As some members are aware, we put out a proposed capital funding policy that says that in the future this government's priority for postsecondary institutional buildings will not be based on a hundred percent government funding but will be based on partnerships whereby they can get other people involved in the provision of those buildings.

Then we have that item which is so very important called the capital renewal fund. Hon. members are familiar, Mr. Chairman, that equipment nowadays becomes obsolete before it wears out. So we have 32 and half million dollars in the budget to provide funds for these institutions to replace equipment and to do maintenance and to buy furniture and to do site improvement.

I just want to close off my comments, Mr. Chairman, with regard to the student financial assistance that we provide. In recognition of the fact that education costs money – it costs somebody. Right now the taxpayer is paying 80 percent of that \$1,075,000,000 budget. It's not a cheap business. The tuitions – and we've spent a year developing a new tuition fee policy – are the lowest in Canada, except for Quebec. We recognize that they must go up, and as hon. members will recall from a year ago, we said that the students are entitled to know when they register at an institution for a four-year program what those fees will be. No hidden charges. No balloon payments. So they're predictable. In recognition of them going up – they can't go up more than

\$210 at a university and \$105 at a college, and for a heavy smoker that's not very much anyway – this year we provided in student financial assistance an increase of \$8.8 million in available student loans. That's pretty significant for the 49,000 people who borrow from the Students Finance Board.

Mr. Chairman, I simply close off with this comment. I as minister am so very grateful for the boards of governors who govern our institutions. It's their dedication and their devotion and their commitment to the students and quality of education that makes my job easier. They don't do it for compensation. When I look at the workloads of the chairmen and the boards of governors at the universities, who don't get a nickel, that's true devotion. They do that because they are proud of Alberta, they're proud of our postsecondary system, but most important they're dedicated to the future of our students.

So with that, Mr. Chairman, I propose to hon. members that they approve the estimates of \$1,075,000,000 in the three votes so that we can continue to maintain the very high standards we have here in Alberta.

Thank you.

8:20

MR. CHAIRMAN: The hon. Member for Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Chairman. I'd like to begin by expressing a word of appreciation to the minister. When I was newly appointed as critic in this area, I developed some concerns on issues that I had heard from people. I immediately phoned the minister's office, and I very quickly had an appointment with him, and he set aside some time to deal with those issues. That's very appreciated. I think it's a positive way in which to carry on a good, solid working relationship with members of other parties. As a matter of fact, I wish we could extend that. I think there are many situations – for example, if we had, say, a House committee to look at educational matters, then maybe ideas would come from all political parties that could be useful in terms of advancing the educational interests of all Albertans.

I'd also like to take this opportunity to express a word of sympathy to the minister. I listened to his remarks about the significance of Alberta's postsecondary educational system, and I agree with him. It is a good system. It is a highly regarded and respected system, but I think at this time we've reached a crisis point in our system. It's not because of problems that are peculiar to Alberta. These problems are fairly widespread. They exist in all parts of Canada and even in the United States.

I'll just go through some of these issues. First of all, there are increasing numbers of students that are making their way to university. We saw a dramatic increase, for example, in the 1970s in the rate of women's participation in postsecondary education. It went to a point where today over 50 percent of students in our postsecondary institutions are women. The demand for spaces is continuing to increase. There was an assumption made a few years ago that during this period of time we'd actually see declining enrollments, but that's not happening. More and more adults feel that they have to go back for education if they're going to have any kind of economic future for themselves. In part that's due to the fact that the economy is in a downturn, and there has been a tremendous loss of industrial jobs in this country. Ontario estimates that they've lost some 300,000 jobs. Some of that, they believe, is due to the trade deal.

The point that I'm really trying to make is that at one point young people historically had lots of educational opportunities available to them that are no longer there. Increasingly we're becoming a knowledge-based society, and the only way that you

can guarantee any kind of mobility in this society or security of employment is to go back to university and get a degree. Some people who study these issues estimate that at least half of the jobs that will be created in the future will require at least 17 years of education.

Accompanying this downturn in the general economy, of course there's been a decline in resources that have been available to the provincial Treasury. The minister has already alluded to that. That's not just revenues from the oil and gas side; it's also revenues from the taxation side as people lose their jobs. In addition to that, as the minister is probably aware, there's an age cohort moving through the professoriat at our universities. These are highly paid people now moving into 50 and 60 years of age. That puts financial pressure on the institutions themselves.

As the minister has pointed out, our facilities are aging and costly upgrades are necessary. I wasn't quite clear from the minister's remarks when he made that point, though, where in the budget that half billion dollars that he alluded to is going to be provided. Capital renewal funding, he suggests, is for upgrading of physical equipment and this kind of thing, but I don't see any provision in the budget for the half billion dollars that he says is required at this point.

In addition to these problems, there's also another major problem that the minister didn't touch on, which is that the federal government is increasing stress on postsecondary systems throughout the country by withdrawing from the established funding programs. I think this is another area where all political parties could agree in terms of putting pressure on the federal government to at least not reduce those transfers any further and in fact try to restore them as much as they possibly can to the provinces. I don't know under what mechanism and that sort of thing. I can appreciate why the federal government wanted to back out in the first place. A number of the provinces – and I'm not saying one was Alberta. At least seven out of the 10 provinces failed to live up to a commitment that the federal government had expected of them in terms of matching the previous contributions that the provinces were making and keeping those in line with federal contributions.

I think that there are a number of consequences for Alberta of all of these general problems. As the minister mentioned, there is an accessibility situation in the province. In fact, in his remarks the minister said that there's a place in every Alberta institution for students seeking a postsecondary education. Well, there are statistics out of Calgary – the University of Calgary and Mount Royal College in particular did a joint study – that would suggest that that's not the case. There's an indication that approximately 3,000 qualified students were turned away from Mount Royal College and that some 2,300 qualified students – that is, students who had an average sufficient to get them into university – couldn't find places and went back into either the Calgary public system or the Calgary separate system.

As I pointed out earlier, the problems in Alberta are not strictly speaking unique to Alberta. The Council of Ontario Universities says that they needed a 7 percent increase just to maintain their status quo. The best the government of Ontario, a government very sympathetic to education in general, that would make it a priority, could do last year was provide them with zero percent in the first year and a 2 percent increase the following year. B.C. estimates that 15,000 students were turned away last year. I have articles from the United States that say that the California education system is at serious risk, which was probably the most advanced and best system of postsecondary education in the United States, a leader of postsecondary systems.

The University of California, with 166,000 students at campuses from Berkeley to San Diego, received only a 1.5-per-cent increase on its \$2.1-billion operating budget.

What this meant was that 700 faculty had to take early retirement and they had to cut 5,500 students out of their programs. It goes on and on for the different other institutions in the California system. So I'm not suggesting that any of these problems are really the minister's fault.

I'd like to now turn to some of the estimates for a moment and be maybe a little more specific about some of the needs I heard in terms of funding just to upgrade existing facilities in the province. Two or three years ago, together with a number of members from the government side and from the Liberal Party, I toured the University of Calgary, a tour that was arranged through the faculty association but supported by the administration. They showed us all kinds of examples on the university campus where immediate funding was needed just to get the university up to a reasonable operating level. Their heating plant was in a severe state of old age and needed to be replaced. It wasn't adequate for doing the job of heating the expanded university. Their labs were falling way behind what would be a reasonable academic standard and so on. At that time they said that they needed an immediate injection of some \$25 million just to get the plant up to a basic, reasonable operating level.

I was down in Medicine Hat the other day and met with the president and students. They want to add to their facilities, but they estimate that they need an immediate cash infusion of \$35 million just to deal with their library/recreational needs, to get rid of some portables, and to do some basic essential upgrading. The same condition at the university in the minister's hometown, the University of Lethbridge, Mr. Chairman. They estimate that they need probably something in the order of between \$50 million or \$70 million just to deal with the fact that they have a beautifully designed building on the side of the hill, designed by one of Canada's preeminent architects, Arthur Erickson, but the building spans a gully, and where it spans the gully, that's precisely where the library is, and the library is putting so much pressure on the building that the building is beginning to sag. So it's clear that they need a new library at the University of Lethbridge.

MR. PAYNE: Or lighter books.

MR. PASHAK: Or lighter books or maybe put everything on ROM disks or something like that, but I think that's a little way in the future. In any event, they have problems.

I talked to a member of the University of Alberta's priority and planning committee, and he indicated to me that they need at least \$45 million to \$50 million just to deal with immediate physical problems during this current year. It just goes on and on. So I don't think that the minister's estimate of half a billion dollars here is at all unrealistic.

8:30

Now, where do you get the half billion dollars to do this kind of thing? Well, I'm also the lottery critic for our party, and I look at the way lottery funds are spent in this province. What are the priorities for Albertans? Would we rather put our lottery money into building golf courses and curling rinks and this kind of thing? I know some of it goes to deserving community facilities and this sort of thing, but what are our priorities? Would we really see any money that we can get our hands on put into recreational areas? Sure, some of that is necessary, but if we have to make choices and we're down to maintaining these buildings and preventing them from deteriorating any further, wouldn't we rather see those

loose dollars or whatever you want to call them go into maintaining this fine physical plant that the minister has previously described?

Another major issue, as I pointed out, is the accessibility issue. I would like the minister to comment on that in light of the study that I reported Mount Royal and the University of Calgary engaged in. I think there are a number of ways that issue can be addressed and in some creative ways. I like what I heard being proposed by the University of Lethbridge and Medicine Hat College, Mr. Chairman. The University of Lethbridge has a proposal in that they would offer the third year of their programs to students on the Medicine Hat campus, and I know that they're waiting for a word from the minister on that question. I wondered if he would care to respond to that today or at least tell us when students in Medicine Hat could expect an answer with respect to that question as to whether or not they're going to get approval for this arrangement.

Mount Royal College has a program that they've submitted to the minister asking for degree-granting status for four or five of their programs. I think that's reasonable. It's clear to me that Mount Royal certainly has the qualified staff and resources to offer these programs, and I know that colleges can offer undergraduate degrees at substantially less cost than our universities can. Red Deer has a proposal in that would probably require substantial new expenditures, maybe as much as \$45 million, although some say it would probably cost more in the neighbourhood of \$70 million if they're given degree-granting status.

I'd like to know what the minister's view is on this question. I know he'd promised these institutions that by the end of 1991 he would give them an answer. There's been a delay. I think at the moment he's saying something about waiting for the 2000 study to be developed before he's prepared to do that. I want to come back to that question in a moment. I think it's a critical question.

I'd like to now turn to vote 3 in the estimates, the student finance vote. In response to a question that the Liberal Advanced Education critic asked in the Legislature, the minister indicated that there wasn't going to be a cut in support for student grant assistance, but when I look at the estimates, it looks like there is a bit of a decline from \$39,115,000 to \$38,752,000. I believe that in his answer he said that there'd be an actual increase this year. Perhaps he could explain how that comes about. It might be through transferring some funds from other programs.

I'm also interested in that whole question of remissions of loans. There's quite a decrease there, almost \$7 million. I know that students are very concerned about that. To me it would be an awesome experience to graduate from university and have to face over \$15,000 worth of loans. If there's any way some of those really high loans can be assisted by the province through some form of remission, I think that's important. I know that in terms of speaking about student loans, the minister has indicated that there may have to be an increase in student fees. In some respects it's a difficult issue for us on this side of the House because in an ideal world I think our party would recommend the abolishment of student fees, but we don't live in an ideal world, and we don't have that kind of capital available to us.

I recognize that if we're going to maintain our institutions, keep the pupil/teacher, professor/student ratios down, an increase in student fees is probably reasonable. On the other hand, I must go along with the Smith report, which strongly recommends that any increases in student fees must be accompanied by revisions in the loan and grant provisions to students so that no deserving low-income student is prevented from attending a university because he doesn't have the economic or financial wherewithal. I'm very impressed with the notion of having an income contingency plan.

Now, I don't think the province could probably put an income contingency plan in place. Certainly the federal government could, and I would ask the minister if he's negotiating with his federal counterpart, the secretary of state, to address that issue and to support the idea of an income contingency plan for students.

Another issue was brought to my attention by students who were concerned about the whole question of student finance. I noted in the minister's remarks last year that he said that there had been at least 10 different commissions that have studied the whole question of student finance. One has just reported to the minister recently on these issues. Students still report tremendous problems with access to loans, Mr. Chairman. It's especially true in the case of single parents. One of their main grievances revolves around the fact that if you're a student and you have a student loan, you can work on a part-time basis, receive an income of up to \$200 a month, and that is not subtracted from your student loan. But if you're a single parent attending university and you're receiving child support payments, those child support payments aren't treated in the same way and your student loans are reduced by the amount of the child support payments, or if you're divorced and receiving alimony or separation allowance, similarly those sums, even if they're less than \$200, are subtracted from the student loans you receive. I wonder if the minister has a position on that and if he's trying to do anything about it.

Students tell me that with respect to the Students Finance Board the rules and regulations are not very clear, they're not made that readily available to students when they enter university, and they often have to do a lot of digging just to find out what is available to them. Now, maybe it's for students' unions and students' associations to make students more aware and to help them to do that. I made that suggestion to the students.

I'd like to now shift gears quite considerably and talk about a situation that has, I believe, been brought to a number of members' attention. It has to do with a college that's located on the University of Alberta campus. It's St. Stephen's College. What we're talking about here are not large sums of money, Mr. Chairman. This college historically, at least for the last 10 years I believe, has received a grant of some \$69,000 a year. The college was informed that the grant was to be terminated but that they would receive a once-only grant in this year's budget of some \$50,000.

Now, I'd like to give members of the Assembly and the minister some idea of why this is, I think, an issue of at least important symbolic concern. St. Stephen's College was one of the first postsecondary institutions in Alberta. It was the first building on the U of A's site. At that time it was known as Alberta College South. So it's an integral part of the history of this province. It's part of our educational tradition. Now, admittedly \$69,000 is not much in the total budget, but it makes a statement to the college. It makes a statement that their work is appreciated by all Albertans. In a day and age when people are concerned about lack of moral behaviour and leadership in society in general, I think St. Stephen's College goes a long way to meet those concerns. It doesn't just provide trained people for theological positions in society, Mr. Chairman. It also provides people who would like to get some better understanding of our religious-based tradition and heritage. It's able to provide that and to do that.

So I would hope that the minister, if he can't see it in his heart, in a sense, to recommend to his cabinet colleagues to restore this \$69,000 grant, could at least provide members of the Assembly and the people who are committed to St. Stephen's College with some explanation of just why it is that they're no longer eligible for the \$69,000 grant. I find it particularly difficult to accept this cut when at the same time we're now funding 75 percent of the

operating costs that go to public institutions and we're providing this support to four denominational colleges. Not only are we providing financial support, but we've given them degree-granting status.

8:40

Now, I'm not opposed to doing that. I would like the minister to understand that. In a very real sense, without denominational colleges we probably would not have had a university system in this country. Virtually all of the universities that were established in Canada prior to the turn of the century were religious-based institutions. King's in the maritimes, of course an Anglican college; most of the other colleges were established by the Presbyterians, Methodists, the Catholic church. So we have that tradition in this country.

In saying that, I just want to draw to the minister's attention a real concern that I have and that I'm sure the Alberta Teachers' Association has, and that is that at least two of these denominational colleges are now applying to teach a bachelor of education degree. I'm a committed believer, as I think most members know, in public education. I think the three public universities should be the only ones that should be allowed to grant degrees in basic education. I have no objection to these colleges offering educational courses that are transferrable to our three universities, but I want a public institution to state that these people are qualified to teach in the province of Alberta through obtaining a degree from one of those three institutions.

I might also point out that if there are difficulties the minister's having in trying to determine whether institutions should be degree-granting or not, he might consider expanding the role of the accreditation board to include not just private colleges but also public colleges. Maybe the question of whether Mount Royal College, for example, should be given degree-granting status in some programs could be referred to that board as well. I think there would have to be some mechanism like that put in place.

Now, if the minister is at all criticized by people that I've spoken to at different levels within our postsecondary institutions, I think it's for not providing leadership. The minister – and I don't solicit these comments from people – is highly regarded as a man of integrity, intelligence, and commitment, a man who is given credit for supporting the postsecondary system in this province. His deputy minister is also highly respected. Again, I don't solicit these comments; people say these things. I'd like to bring to the attention of the minister through the Chair that repeatedly there's a concern expressed about leadership. I've often heard it said, "Where's the vision for Alberta Education?" They expect the minister to provide that.

I went back and looked at the minister's remarks from last year. He said that leadership was a priority for him, but I think his view of what leadership is is somewhat limited, perhaps for ideological reasons. His view of leadership, as I gathered from his remarks, is to hear from the institutions themselves, to let them direct their own destiny. Now, I am not trying to suggest that the minister should step in and remove autonomy from our institutions and make all the decisions. Certainly universities should never have the right to determine who enters them taken away from them or what it means to get a degree and this sort of thing. But given the financial situation that we're in, there's a real need for leadership, and I think it can be expressed with both respect to boards of governors and with respect to the need for a new education commission somewhere in the province.

With respect to boards of governors, I don't hold the same view that my predecessor in my critic area took. I don't think that boards of governors should be elected. I think there are some real

dangers in that approach. I agree with my colleague, however, that we have to be careful about how we appoint people to boards. There was a recent example – I clipped a newspaper article here; I can't quite find it – of somebody from Stony Plain being appointed to the board of the University of Alberta. It looks like that person was appointed for political reasons. I don't know. Maybe the person would make just as good a board member as anyone else. I would also like to say that I'm not critical of board members. I think, as the minister said, that they do a good job. In my experience as a teacher at Mount Royal College, the board members by and large were well respected by all members of the academic community and by the institution itself. A good example is the minister of telecommunications, who was highly respected by faculty members when he was a board member. The faculty always felt that they could approach him and that he would listen to them and carry concerns forward and this sort of thing. I think the problem is that if board members are appointed through a process that takes place at a cabinet meeting or whatever, through the Lieutenant Governor in Council, there's no assurance that you're going to have all important elements of the community represented on those boards.

That's why I think that if we had an all-party committee of the House looking at educational matters, maybe such a committee could develop criteria for the appointment of board members and maybe vet applications to boards and then make recommendations to the minister in terms of appointing board members. I think the ultimate responsibility for appointing board members has to rest with the minister through cabinet. I wouldn't take that authority away from him, but I really think that there should be a public criteria put in place and that we should solicit wherever we can good people to come forward to sit on these boards. For example, I think there should be a representative from the chamber of commerce sitting on the boards. There perhaps should be people who are intimate with the trade union movement who have been able to demonstrate a commitment to educational values who might be appointed to these boards.

DR. WEST: You mean socialists.

MR. PASHAK: Well, just as there are good Conservatives, there are good, committed socialists, hon. member. This is not a partisan issue at all. There are people from all walks of life that I think would have the credentials and the capability to be good members, and that cross-fertilization from a variety of points of view would strengthen boards and strengthen postsecondary education in the province of Alberta.

A second group that I think must be established in this province is something like a combination of the old universities commission and colleges commission. I know that the minister has committees out there that advise him on given matters, but given that we're in a state of crisis, I think it would be absolutely essential that we set in place a new body that has representation from his own department, from the universities, from the colleges, certainly the technical institutes that would advise ministers on these really difficult questions. How do we deal with accessibility issues? Do we create new degree-granting institutions? How do we deal with these student finance questions that have been raised? How do we deal with trying to rationalize and save costs within the whole postsecondary system? If we have three bachelor of ed. programs, for example, in our institutions and they're all issuing degrees, do they all have to offer specialized programs that would lead to specialities in the teaching of the disabled? No. There has to be some way of co-ordinating redundancies throughout the system so we can make our institutions more cost-effective.

We may even want to go beyond that. If we feel that more and more students are going to require degrees, maybe we want to transfer more students out of our senior institutions into lower class colleges to obtain their bachelor degrees and free the universities up to do more graduate level work and concentrate more on research. I'm not suggesting that you'd do away with their undergraduate programs. But the situation at the U of A is intolerable. I know professors that have 300 and 400 students in their fourth-year classes. That creates an incredible alienation in an institution. Professors at that level are not able to mark undergraduate essays. They have to give multiple-choice exams. Many of these same professors would then complain that students leave university without any writing skills.

It's really important that we begin to address questions of tenure, and groups like this could recommend to the minister on issues like that. I could give him a list of issues, but I did want to touch on one or two other points before my time ran out.

I know that members of the Alberta Association of Community College Faculties are really concerned about the question of academic designation. There's a case that will be going before the court soon. This is going to prove to be quite costly. It seems to me this could easily be resolved by amendments to the Colleges Act that would permit for some kind of third-party arbitration in these instances. I'd like to get the minister's reaction to that position and whether he'd be willing to even consider it.

Thank you very much.

8:50

MR. CHAIRMAN: The hon. Member for Calgary-McKnight.

MRS. GAGNON: Thank you, Mr. Chairman. I, too, would like to thank the minister for his hard work. I don't often agree with some of his policy decisions and so on, but I do know he works extremely hard, and I think there's absolutely no excuse for the disrespect which is sometimes shown to him when he is speaking in public.

Mr. Chairman, for the first time the government is admitting in this budget that Alberta is not the highest spender per capita on advanced education in Canada. However, Albertans are still the highest users per capita. Therefore, the net result is that in funding per student Alberta has dropped to fourth or fifth place nationally. While Alberta is in the middle range of provinces when you compare our expenditures with other industrialized nations, funding for advanced education in Canada is significantly less. I know that's a national issue, not a provincial issue. However, I hope the minister continues to speak to his counterpart at the federal level, making that point.

Our future needs regarding competitiveness are not with the other provinces of Canada but rather with the industrial nations of the world, and if we want to compete and continue to have stability of economic growth, we must continue to fund and to fund at an even higher level our postsecondary system.

In the budget the Treasurer stated that the 3 percent funding increases to colleges, technical institutes, and universities is to give health and education organizations "time to prepare for the new fiscal realities." Should this be taken as a threat by the government towards postsecondary institutions implying that there will be further cuts to education budgets next year? That statement, that this is giving them time to prepare for new fiscal realities, did strike fear in my heart and I'm sure in the hearts of most boards of governors, presidents, and so on.

Mr. Chairman, I think the basic problem with our Advanced Education system is the lack of planning. Under this government it seems that the lack of planning is creating further problems and

also is creating chronic underfunding because we don't really know what the needs are and what the future needs will be. The minister recently rejected my written question concerning projections of future enrollment in the advanced education system, and I don't know why he did that. Either the government doesn't have any projections, which shows lack of planning, or the minister does have the projections but doesn't want to know what the implications of those projections are.

I also believe that one reason for the lack of planning and the lack of co-ordination is the limited consultation the minister actually engages in. I would say that all the committees consist of patronage appointments, and these don't reflect the stakeholders in the system. The minister thus receives the messages that the government wants to hear, not the real messages from the real people that are out there dealing with the everyday situation.

To address the problems caused by fragmentation and this lack of direction and lack of planning, I and my caucus colleagues have called on the minister for a number of years to establish a commission including stakeholders to examine the advanced education system and how it works as a whole. Now we hear students' associations, the Confederation of Alberta Faculty Associations, and even the University of Calgary senate also calling on the minister to establish such a commission. Will the minister listen to the stakeholders in the advanced education system who are telling him that something is wrong and that he must establish this commission in order to do some long-range planning? The government is also preventing boards of governors from making long-range plans since provincial operating grants are usually announced only a few months before the start of the institutions' financial year. Obviously, this makes a mockery of any board's attempt to plan long term. Will the minister address this concern by making funding commitments one or two years in advance? This would really provide some stability and that ability to plan ahead.

Government efficiency and systemwide planning would certainly be improved, we believe, if ministries were consolidated. We also feel that this would be an economic advantage to the government's overall budget. For example, if we had a single Ministry of Education, we would likely find solutions instead of continuing the waste of money and the waste of human potential such as students repeating grade 12 because of advanced education inaccessibility. There are already several instances where the Minister of Education has commented on Advanced Education issues; I believe he did so today in answer to a question. So why not consolidate since one minister is already dipping into or wading into the next minister's department? It seems to me that better co-ordination and better communication would certainly avoid some of the lack of planning and some of the inefficiencies we see in the whole system K-12 and then 12 on through lifelong learning.

It also seems that the departments are competing with each other rather than co-operating with each other, and I think this is also a disadvantage to people in this province who are seeking education.

Now I want to turn to the problem of accessibility. Last year applications outnumbered student spaces available by over 25,000. I'm not saying 25,000 people were turned away. I'm saying that the applications outnumbered student spaces available. While there are students turned away in all parts of the system, the biggest accessibility crunch making up over half of these students turned away is occurring in our two technical institutions. The minister said earlier in his comments that 98 percent of those who wanted to get into an institution got in. I am afraid I can't buy that, and I would like the minister to expand on that somewhat. It may be that a person was able to get one course that they didn't need for their program in any case, and he is counting that person

as having gotten in. Our information is that the 98 percent figure is inaccurate.

Last year's budget made reference to postsecondary accessibility and seemed to place some importance on this idea, yet now the government seems to have abandoned this principle. This budget makes absolutely no mention of accessibility and of that crisis inaccessibility. Perhaps the minister would like to explain the government's position on accessibility. Should we take this budget at face value and conclude that accessibility is no longer a government priority? Many institutions have put in requests for expansion which would help to reduce the number of students rejected by the postsecondary system, yet these requests continue to sit on the minister's desk. For example, the co-op education program proposed by the University of Calgary would provide access for 800 new students, and yet the minister indicates that he's never been asked to fund an increase in the co-op program. The University of Calgary tells us that request has been sitting on his desk for two years. A 1 percent increase in the Advanced Education budget would provide a thousand student spaces, but this doesn't seem to be within the government's priorities.

I'd like to go now to the specific votes. In vote 1 the public accounts show a huge discrepancy in the 1991 budget for Minister's Committees. While \$229,770 was budgeted, only \$160,411 was spent. This is a difference of almost 30 percent. Instead of continuing to budget at the same amount, if the minister doesn't need that amount, why not budget less for ministerial committees? If the budget is too high, let's have some actuals, and let's budget according to last year's actual.

9:00

In vote 2.1, the endowment and incentive fund, which is the program that provides matching grants for certain private donations, was a very well received and popular program, and it brought many benefits to the postsecondary institutions in Alberta. This year it is cut 63.5 percent with the prospect of a total cut by next year. Institutions had no idea that the development of foundations would lead to the end of the endowment and incentive fund initiative. They had thought that the two programs were complementary since each attracted a different kind of private donor. The foundation concept does not duplicate or replace the endowment and incentive fund. They could have complemented each other, and we certainly need both. The largest impact will likely be on fund-raising for scholarships and endowed shares.

Vote 2.2, Provincially Administered Institutions – Operating. Under 2.2.6, Cost Recovery Programs, there is an apparent contradiction between the notion of cost recovery and the increase in spending of 60.7 percent. Would the minister please explain what his government's intention is here? Will we be recouping some of these expenditures?

Under vote 2.3, Private Colleges – Operating, I would like to say that I personally and my caucus see private colleges as complementary and important. They certainly are a value to Albertans. However, when we look at the amounts, we would like some explanation: 9.1 percent to Augustana, 16.6 percent to Concordia, 19.3 percent to King's College, and 43.5 percent to the Canadian Union College. Again, what is the government's intention? Are these private institutions meant to supplement only or to complement, or are they meant actually to take over from a publicly funded system? We do have a concern there in the large amounts in funding to those colleges.

I also would like to raise the issue of the grant to St. Stephen's College which is not being continued. That institution has served Albertans extremely well. I'm sure all of us in this Assembly have received letters from supporters of St. Stephen's College,

and I would urge the minister to reconsider their request that the grant be continued.

Under votes 2.4, 2.5, and 2.6, operating budgets for universities, colleges, and technical institutes, it seems that this budget actually does nothing to address the declining quality of education. We look at library hours and resources being cut, support staff being cut, a freeze on academic positions, decreases in numbers of written exams and assignments, personal or private consultations between professors and students. All of these are certainly part of what makes a quality education, and we don't see anything there to address these problems. I think the presidents of institutions have done a yeoman's job of trying to maintain quality; however, it's reached the stage where they simply cannot do that unless the operating budgets are looked at very carefully and unless more funding is provided.

Under capital expenditures, vote 2.8, the funding formula for renovations, equipment, and so on has been frozen for years. In 1988-89 \$32.7 million was spent. This year the government is budgeting \$400,000 less. Again we are concerned here about safety standards, about equipment which is outdated so that the latest in research and technology cannot be engaged in. It seems to me that the government is neglecting these very essential needs. The minister has mentioned capital funding, and I know it's a concern of his. Maybe he can't convince his colleagues or else they're not aware of how serious the situation is. In any case, I think vote 2.8 must be looked at.

Under vote 3, Financial Assistance to Students, I also am quite confused by the minister's insistence that there has actually been an increase, because we see, looking at the minister's own budget statements, that what we have here is a cut to the total budget for financial assistance to students by this government. In 1988-89 \$112 million was budgeted for financial assistance to students compared to the amount today of \$90 million. This is a cut of \$22 million or 19.4 percent of the budget in only four years. Now, how the minister can say that there's been an increase, I simply don't understand. It looks as if he's moved money around from one line item to the next, but overall what we see is a cut, and this is based on the minister's own budget. If inflation is taken into account, this amount jumps to about \$41 million or a cut of 31.2 percent.

Now, in direct contrast to this radical surgery on the student aid system, this government has brought in massive tuition fee increases, in effect asking more for giving less. Students throughout the province have told us that they don't mind paying more. They are willing to pay their fair share as long as they're given ample warning and as long as in return for this increase in tuition they get better service, better access to professors, better access to libraries, to the technology they need in order to follow their course of studies. This, of course, is not the case.

Another issue which I think is extremely important: if you add to our tuition fees – and the minister says they're the lowest in Canada next to Quebec – you must talk about user fees. All of the institutions have user fees which, actually added to the tuition fees, provide a significant increase in the out-of-pocket costs of students. When accounting for inflation, the student living allowance has declined every year since 1983. Food banks across Alberta report that students are becoming regular clients, with a food bank now in existence at the U of A for graduate students. I read in an article in the *Gateway* that four to five students at the U of A use the food bank daily. Now, is this the kind of situation that should be allowed to continue? So many of the students are single mums with children who want to better their lives, who have worked for a while, who have saved a bit of money, who are now back at school in order to become self-sufficient. Their

student allowance has not kept pace with their real costs, and they end up having to use the food bank or they end up not being able to fill prescriptions: all kinds of situations that I'm sure every one of us in this Assembly hears about in our offices from our own constituents.

I believe that the minister would be able to come up with a much better program of student financing if my Bill regarding appointing students representative of associations and so on were carried through. As it is now, the minister appoints students, yes, but I don't know if they are exactly the kind of students that would be selected if student associations and so on were able to vote for their own representatives.

I'm not one to speak just because I've got a lot of time, Mr. Chairman, so I will conclude now, and then I do intend to present a motion to the Assembly.

In conclusion, I'd like to say that under this budget and under this government, advanced education in this province is in a crisis. The portion of the provincial budget going towards advanced education has continued to drop, reflecting the priority the government is placing on the postsecondary system. We need postsecondary education to become a priority again. We need the vision to make advanced education a system again. We need planning. We need more accessibility. We need more input from stakeholders. Of course we know that the province is in a fiscal crisis. However, the best and only way to get out of that crisis is to invest in students, in people. Wealth and competitiveness will come from our brains, from our skills. We must increase productivity in knowledge, service, and the skills industry, and I think the way to do that is to repriorize spending and also to spend smarter. For instance, there could be innovation such as trimestered systems, full year-round use of the facilities that exist, not just partial year-round use. Those are some of the innovations that we believe a commission could look at in order to make sure moneys exist to meet the needs of all the people in the province who wish to access a postsecondary education.

Mr. Chairman, I have prepared a motion which I now would like to circulate to members of the Assembly. If the pages would circulate this, please.

9:10

MR. CHAIRMAN: Order. Could the Chair have a copy of that as soon as possible?

MRS. GAGNON: Mr. Chairman, the motion reads as follows:

Be it resolved that upon the request of any three members the Committee of Supply order a warrant summoning the Deputy Minister of Advanced Education or any employee of the department it considers necessary to consider the estimates of the department and that the deputy minister or employee provide complete documentation regarding program description and evaluation, efficiency and effectiveness studies, and information regarding the reclassification of comparative estimates as requested by any member.

My rationale for presenting this motion, Mr. Chairman, is that we really don't have enough answers to critique the budget intelligently, quite frankly. We need much more and greater detailed review of each of the line items. This is the only way that we could make a good decision about the line items and an effective series of suggestions to improve the budget.

Mr. Chairman, I welcome debate of my motion. Thank you.

Chairman's Ruling Admissibility of Motion

MR. CHAIRMAN: The Chair has had a chance to look at the motion presented by the hon. Member for Calgary-McKnight, and it would appear that there is a little problem with order in that

matters of this nature in committee are decided by majority vote. This motion would indicate that something could be decided by three members. It would appear that this motion would be in order in the Assembly for consideration because the intent is to change the rules under which we operate, but in the Committee of Supply the Chair doesn't feel that this motion can properly be considered by the committee.

The hon. Member for Ponoka-Rimbey.

Debate Continued

MR. JONSON: Good evening, Mr. Chairman and members of the committee. Certainly the Advanced Education budget represents a major commitment as far as postsecondary education is concerned, and I think that as previous speakers have indicated, there is much to be commended in terms of the performance of this particular area of education. I note that we have thousands of students in this province who are working very hard to improve their education, to become productive members of the work force and meet the economic and social needs of the province. In addition, if we note the publications that come before us as MLAs, certainly the research function of our postsecondary education institutions, particularly the universities, is being performed well. There are many achievements to be reported and a great deal to be proud of there. I do not have the exact title of the study before me, but I know that in a recently published study regarding rating Canada's universities, the universities in Alberta rated rather well, particularly when you consider that they were being compared to very long-established, well-funded universities with great traditions in the eastern part of this country. Certainly they did not come in any kind of low-ranking relationship to any university across this nation.

I'd also like to say a word about the technical schools. They have a great deal of credibility with the business community of this province and with the greater, more general community. They have a very enviable record of successfully placing their graduates in long-term jobs. In fact, it raises a very basic question, I think, in terms of the direction of our postsecondary education and the targeting of our funding: whether or not we should be providing more funding to those areas of postsecondary education which are finding a job market for their graduates and gaining a great deal of recognition and satisfaction in the business community, whereas in other areas we find people are not able to find the occupations they are trained for.

The community colleges. Certainly this is one of the very innovative and very special parts of our postsecondary educational system. A great deal is being done there to match the offerings of community colleges to the community and the regional needs those colleges serve. Our Alberta vocational centres provide a very important service, although quite frankly, Mr. Chairman, in the whole area of adult upgrading perhaps we need to have a look at the AVC offerings and the whole network in terms of being able to improve our upgrading of students that need that particular service.

The Advanced Education consortia represent another very innovative aspect of our postsecondary system, and I would like to ask the Minister of Advanced Education just what the trend is with respect to the consortia. Are we providing more courses? Are we enrolling more students? I think one of the very fundamental questions facing postsecondary education systems across North America is whether in the future this emphasis upon residency in order to obtain a postsecondary degree or postsecondary certificate should be adhered to to the extent it has. Certainly when it comes to being able to meet the costs of postsecondary education, people who are able to maintain a job on a full- or

part-time basis, stay in their own home or their own community, and take courses on an incremental basis can cope with the costs of postsecondary education much better than when they're required to put that three- or four-year residency in for certain types of qualifications. I think the future of postsecondary education depends upon a great deal more flexibility and more opportunity for people to do that.

I also would like to commend the department's Tourism Education Council in terms of the efforts it is making to provide training and improve the image and overall performance of our tourist industry. I note that the chairman of that council is here this evening, and certainly its activities have a good reputation throughout the province.

Lastly, in terms of my commendations, although there might be one or two later on, Mr. Chairman, I note that in the two hearings or meetings of the Toward 2000 initiative of economic development people are recognizing that our research institutions are putting some long overdue attention into linking their pure or in-house research with applications through industry out into the business community. Certainly it is a very hopeful sign to see that recognized at this type of meeting. Also, the very major effort being made across the province where they were talking about community colleges or universities forming business partnerships and utilizing resources both professional and physical on a joint basis is another trend that certainly needs to be recognized.

9:20

Now, Mr. Chairman, I have a number of areas in which I have questions for the Minister of Advanced Education. First of all, with respect to the overall financing of postsecondary education as far as the province is concerned, I note that quite often we are referred to as perhaps not being number one any longer but certainly being no less than number two when compared across this nation. However, I would like to ask whether or not we have a breakdown comparatively of the different sectors within postsecondary education. How do we compare in funding universities? How do we compare in funding technical schools or equivalents thereof across Canada? How do we compare at the community college level? How do we compare in terms of academic upgrading? I ask this question because it has been brought to my attention that perhaps while our overall global effort in advanced education is very significant, there may be some major differences in our comparative effort in these different categories. For instance, it's been said that we are perhaps lower than number two with respect to universities. I do not know whether that is correct or not, and that is why I pose the question here this evening.

A second area in which I'd like to comment and raise one or two questions is that of degree-granting status. I commend the Member for Calgary-Forest Lawn for his comments in this area. I note he is recognizing that perhaps there should be more flexibility, at least serious consideration, given to the offering of degree-granting programs at Mount Royal College, perhaps Grant MacEwan Community College, and certainly Red Deer College. I can't help but comment, Mr. Chairman, that that is a dramatic change from, I believe, approximately this time a year ago when we debated the motion put forward by the hon. Member for Innisfail. I commend him for that change in view.

With respect to the whole matter of degree-granting for the colleges, in a statement issued before Christmas of last year the minister noted he was going to wait until the results of the Toward 2000 initiative. At least that was one rationale given for not announcing a decision at that time. From my knowledge of the

Toward 2000 meetings, certainly education has been front and centre; there is no question. I think people are very surprised by the way in which the need for training and need for an overall greater educational effort has risen to the top of the topics raised there by the business community and others who have participated. But one thing lacking – and I haven't seen any agency that has come forward to those meetings that has provided this information – is really good projections in terms of actual needs in terms of numbers and programs as far as such programs as computer technology versus a bachelor of education are concerned. Those are the kinds of pieces of information I expect the Minister of Advanced Education will need to have if he is going to make a number of decisions in terms of postsecondary education, let alone dealing with the matter of degree-granting.

Mr. Chairman, I accept the minister's rationale with respect to the importance of the Toward 2000 results. However, I also wonder if it could possibly be that the reason there's been no decision in terms of degree-granting at the colleges is simply a matter of money. We are somewhat short of money these days as a provincial government, and that's understandable. It's no secret that adding, say, 2,000 undergraduate spaces in this province would cost a considerable amount of money. However, I would like to suggest to the minister that I think about three or four years ago the University of Alberta, as an example, put forward a position paper, looking toward 2000, the 20th century, or something, in which they proposed – and the Member for Calgary-Forest Lawn raised this issue as well – that the University of Alberta should start concentrating in the graduate and research area. It would seem to me that is a sort of relative initiative that should be revisited. I can't help noting that the University of Alberta doesn't seem to be visiting it right now, possibly because enrollments have leveled off and there isn't quite the same demand for all programs. If that general direction were taken for the universities, I suggest some of those undergraduate spaces which are crowding the facilities and so forth of major universities might be placed in colleges such as Red Deer College, Mount Royal College, and Grant MacEwan college in certain general degree areas. If what the proponents of degree-granting for the colleges say is correct – that is, that they can offer these programs on a more economical basis, and they certainly would be less expensive for the students in the region that would be taking them – then why shouldn't we be considering degree granting on that basis for certain locations within the province?

I also want to make one other point there, Mr. Chairman, and that is that I have never accepted the view that possibly there would be some loss of quality in terms of a degree that might be offered at, let's say, Red Deer College. I note that a few years ago the hon. minister's own constituency was a focus of attention, and that was when the University of Lethbridge was being formed. There were certain questions being raised about the quality of offerings from that institution. I'm sure the hon. minister would agree with me that degree programs at the University of Lethbridge are comparable to those of the University of Calgary and the University of Alberta. So certainly we should not be fearful of any diminishing of quality if that type of move to the colleges took place.

Another area I would like to pose a question with respect to is the whole area of transfers from colleges to first or second year of university. Also in that area, I'd like to raise the whole matter of grading systems. Really, Mr. Chairman, it makes no sense in my view – and I don't mean to give affront to university autonomy here – to have different grading systems which only cause confusion, let's say, at the University of Calgary versus the University of Alberta. If we can run a system in this province for

half a million students at the K-12 level using a uniform grading system, surely about 10 institutions should be able to get together on a single grading system as far as postsecondary education is concerned. That would certainly help this whole area of transfers.

Indications I have within my own constituency, Mr. Chairman, are that there is still a difficulty with respect to equal opportunity in transferring into, let's say, the third or fourth year of degree-granting programs at certain universities in this province from our colleges. That should just not exist. Your eligibility should be based on your grade point average, your effort, and those who qualify get in no matter where their point of origin might happen to be.

I'd like to switch to another area, Mr. Chairman, and that is with respect to the whole area of academic upgrading. I realize that funds are in scarce supply, but certainly this is one area where despite the considerable effort already being made we should be doing more. I would like the minister to elaborate more than he did in his opening remarks with respect to plans and initiatives that might be taken this year in this particular area. I would like to add that a particular area of need in my view is with respect to our native peoples living in our cities and also in the country or rural areas of this province. I can't help but think that perhaps more funding should be directed toward schools such as the Plains Indian Cultural Survival School in Calgary, which is providing a very high-quality culturally oriented program as I understand it, or, yes, in the constituency of Ponoka-Rimbey where we have Maskwachees Cultural College also doing a commendable job in this area, yet the system does not seem to be able to accommodate funding for certain students in that area.

9:30

Mr. Chairman, I have a question with respect to the Rutherford Scholarship program. I understand that particular program is undergoing a review by the Advanced Education department, and I wonder when we might expect some results and be able to look at some recommendations, if any, with respect to that very, very worthwhile program.

Also, with respect to student finance changes, I think members who spoke previously raised some very good questions with respect to that. I would like to add a question with respect to the overall trend as far as the default rate on student loans is concerned. A few weeks ago, Mr. Minister, through the Chair, you announced what I think are some good changes that had taken place at the federal level in your discussions, but I would still like to know where that particular program is at.

Another area where I would like to raise a question is with respect to stipends for clinical experiences. My particular interest here is with respect to the health care sector, and I would like to ask the question very bluntly: is that stipend being continued for the range of programs which have usually received it? I think we should recognize that the clinical experience is also an important service to the institutions where these people are working. It's rather cheap labour, quite frankly, but there is a mutual benefit in terms of clinical experience versus the work the people do. I know that the cost of that comes out of the public purse, but certainly it is a program it is very necessary to maintain. I note that in the legal profession, articling at a very low rate of pay is not being considered to be discontinued. Certainly the accountants aren't going to do away with their internship program. So I don't think we should be jumping in and as a very small money saving measure eliminating this very, very important aspect of funding for postsecondary education.

I have a few very specific questions with respect to budget lines, Mr. Chairman. Dealing in the main budget book with

respect to 1.0.2, these committees the minister is responsible for have been referred to, but I would like a specific breakdown of where that money goes. It's a rather substantial amount of money. What is it spent on? I personally know of only about two or three such bodies that operate under Advanced Education. Do they use all the money, or are there some the Assembly is not aware of?

I note, Mr. Chairman, that under 1.0.3 administration has increased a modest amount, 1.4 percent, which is certainly commendable. But when I look at the details, I note that on page 24 – again, referring to the main budget book – full-time equivalent positions have increased by plus 33 but permanent full-time have decreased by 65. That's probably a very necessary measure, but I wonder if the minister could respond as to what impact there will be in services that we might have to explain as MLAs when those reductions come into force?

Looking at the elements and details book, under 2.1.6, I would like some elaboration on what the line known as Cost-Shared Programs involves. What does that contain? Also 2.2.6, Cost Recovery Programs: what is the purpose of that line, and what is included there?

Mr. Chairman, I was going to raise the question in terms of increased funding for the private colleges, but that question has been raised already and I will not repeat the details there. I'm also concerned with the situation with respect to federal transfer payments and what the details are and the impact thereof.

Since it's come to my attention in my constituency, I would like to also raise one or two questions with respect to St. Stephen's College. I agree that it's a rather historic institution on the University of Alberta campus. Mr. Chairman, if the minister has this information, I would like to ask just what classes that college offers, what the enrollments are, and what kind of entity are we actually talking about there for which we are being lobbied for additional funding? When compared to Augustana, which I am somewhat familiar with, there's a wide range of programs being offered at that college. As far as I can understand, there is no specific money going to theology in terms of their programs but to the other programs which are accessible to all students. With respect to St. Stephen's College, I wonder what is in their programs which would compare to programs being offered at, say, Augustana college.

Finally, Mr. Chairman, I'd like to raise two general comments, and there are a couple of questions connected with them. First of all, the universities, as I understand it, commissioned a very notable study by Dr. Smith – I believe that was the name of the author – and I thought it made a number of rather good recommendations, particularly the one that focused upon the need for universities to review the emphasis they put upon teaching. I, too, share the concern other hon. members have raised with respect to the size of university classes, although I can't help but note that in our public schools we have students meeting in classes of over 200 a day; it's just that they're in seven sections. In the case of the universities, many professors meet, yes, a class of 300 or 400 students in the day but once. You have to wonder how time is being utilized and where the relative emphasis is being placed in terms of allotment of time to teaching, let alone, as the report says, allotting more of your expertise to teaching in terms of assigning more senior professors perhaps to undergraduate classes and so forth. So if the minister has the opportunity or the time this evening, I would like him to update us in terms of what is being done on the recommendations that came out of that report as far as our universities are concerned. I realize it was commissioned by the universities and it's theirs to act upon, but certainly the minister must have some interest in this.

Lastly, I'd like to come back once again to the Toward 2000 initiative and some of the questions it is raising. It raises a basic question about postsecondary education which has come up in the Legislature many times, and that is: should the government not be making every effort to get postsecondary education to target more closely the economic needs being revealed or shown or supported in the business community? Can we afford to fund programs where we know there is going to be a great surplus on the job market thereafter and perhaps underfund in areas where there is not?

Mr. Chairman, those are some of the concerns I have with respect to questions on the overall estimates. I certainly recognize it is a challenge to lead this particular department, and I wish the minister well with his endeavours in the coming year. Certainly it is an area that needs greater emphasis and greater priority than ever before.

Thank you.

9:40

MR. CHAIRMAN: Edmonton-Strathcona.

Oh, sorry. The hon. Minister of Advanced Education wishes to respond to some of the comments?

MR. GOGO: Mr. Chairman, my retentive powers are somewhat limited. I would appreciate of you, sir, the opportunity of responding to various questions that have been raised. I make the commitment, sir, that any questions I do not answer or don't have time to answer or cannot answer I will certainly answer in writing to the hon. members who have raised them. But I do think it would be in the interest of the committee to hear some of the responses that I'm prepared to make at this time, asking the indulgence of the hon. Member for Edmonton-Strathcona.

I want to begin by responding to the hon. Member for Calgary-Forest Lawn, who, as we all know, is a former faculty member of a very proud institution. He raised some very interesting questions. He began by talking about the access question, about this great, huge demand. Well, it's interesting that there was a decrease this year in enrollments in the universities, a 3 percent increase in colleges, a decrease in universities. The U of A put out figures that you had to have 73 percent, 72 percent, 71 percent. They were begging for people at 65. I ask you, Mr. Chairman: is that fair to the students in our high school system, if we want to talk about predictability? It's now taking five and a half years for a four-year degree – five and a half years for a four-year degree, a 30 percent time span longer. Is it any wonder, then, that students are backed up? In America it's six years. It's not to do with money; it has to do with life-styles, where their skiing has become more important, as it has to many people, so they're stretching these things out. One should ask the question: is it fair to those who are trying to get in? Should the institution be setting it tougher, saying you've got four years for a four-year degree? Or let's rename it a five-and-a-half-year degree. I don't think we can have it both ways.

The hon. member, Mr. Chairman, talked about the age of the faculty. It's well known at the U of A that the tenured professoriat is in the 50-plus group, the highest in Canada, and wages are commensurate with that. Because 80 percent of their budget is payroll, that must affect, obviously, the opportunity for taking more students.

I mentioned deferred maintenance. To the hon. member, my information is that there's \$575 million of outstanding deferred maintenance that has to be done – not the money for it but the need. I hope I didn't confuse the hon. member on that.

The established programs financing, Mr. Chairman. There were agreements made with Ottawa. Historically the federal government, following the churches, paid for universities, if you follow the history of how they were funded. There was an agreement with Ottawa that began in 1950, carried on, and in '77 the EPF was established. There was money in tax points and so on. The hon. member is well familiar. Ottawa is saying: we will pay less and less and less. The taxpayer here has been picking up that difference. How long can we do it? I don't know, but when I hear the Member for Calgary-McKnight, I'm somewhat astounded. Her leader today said to our Premier, "How can you possibly not call it a crisis situation when the interest on the debt is 1 and a quarter billion dollars and the debt is \$15 billion; Mr. Premier, you've got to get your house in order," and the chief critic of that party in this portfolio is saying spend more money. I'm having some difficulty rationalizing that because in my opinion you cannot spend your way or borrow your way into prosperity. Some people seem to think that it can be done.

With regard to access and numbers, I have stated, Mr. Chairman, that 98 percent of those qualified in Alberta were able to access university programs this year. Hon. members take exception to it. Now, someone who applies at Mount Royal, if that's what the hon. member is referring to, as opposed to, i.e., qualified – I think there's a substantial difference. If you read the U of A study or the U of L study – my preference is to have a monitoring system so that every time someone registers, I know about it or you know about it. I haven't done that. I can't do it. I've tried. [interjection] Well, I can't tell you why; that's my business.

[Mr. Jonson in the Chair]

Mr. Chairman, with regard to student assistance, because that's obviously a very important point. Student financial assistance, surely all hon. members will agree, should be need-based. If the need is not there, the money shouldn't be provided. If you don't have the need, you shouldn't get it. In reviewing the Students Finance Board we spent a whole year visiting institutions, visiting students – that was no small accomplishment – and they identified what the priorities should be. We think we have a pretty good system, the third highest in Canada in terms of total assistance to students, outstanding for single parents and disadvantaged, for \$6,000 extra on top of the \$7,800. Show me another province that's got that; none of them. I think we do pretty good. I'm not saying we couldn't do better. The hon. Member for Calgary-McKnight is right on the money. We have not been able to keep pace with the living costs, certainly not in Calgary, but who can keep up with Calgary anyway?

In terms of student fees, I don't think there's any question that being the second lowest in Canada is significant. Our target is to have 20 percent of the net expenditure of an institution paid for by tuition. I don't think that's unrealistic if you look across the nation. Mr. Chairman, hon. Member for Calgary-Forest Lawn, I've often maintained that if you can understand and fill out the student loan application correctly, I'm not so sure you need any more education. I don't want to be critical of it, but it's difficult.

St. Stephen's College was raised. Mr. Chairman, I think we have to concede that government's expenditures are a result of setting priorities and choices. We do not fund, nor did we ever fund, for theological degrees. That's not our business, and St. Stephen's College is in that business, and for many years they received \$69,000. When this minister was faced with setting choices, what is more important, the undergraduate liberal arts degree or a theological degree for a single institution? I had to make that choice. So we terminated that grant to St. Stephen's,

but we terminated it with a \$50,000 cheque that we weren't committed to. I didn't hear anybody saying thank you for that. The \$69,000 represented 15 percent of their operating budget.

AN HON. MEMBER: How much?

MR. GOGO: Fifteen percent is not all that significant.

The private college funding – and we have four of them – does an excellent job, because we believe in the freedom of choice for the student. Surely it's not out of date that the student should have some rights. We fund the private colleges only for undergraduate liberal arts degrees, at 75 percent of the resident universities. Why? Because research is not done there to the same magnitude of the universities of Calgary and Edmonton.

The hon. Member for Ponoka-Rimbey asked the question: how do they rate? I've said that on a per capita basis for funding we're amongst the highest if not the highest in the nation. The U of A is about fourth. But how many provinces have a Banff Centre? How many provinces have a College of Art? Only three others. How many provinces have Alberta vocational colleges for academic upgrading? Show me. Show me one. That costs money, \$20 million. So in terms of per enrollment – i.e., per student – we're probably, hon. Member for Calgary-McKnight, in the middle of the pack somewhere, but in terms of commitment by our taxpayer to the total system we don't take a backseat to anybody. I think that's significant, because we don't believe universities are the be-all and end-all or that SAIT and NAIT are the be-all and end-all, because if you've only got grade 4 education – your future lies directly in proportion to your educational achievement. Nothing has ever made me as proud as going to the AVC up the street here three blocks away and seeing that 45-year-old who left school in grade 6 achieving grade 10, 11, or 12 and the sense of dignity that comes with it and the ability to be employed. As far as this minister's concerned, that's just as important as a PhD program in the university.

9:50

In terms of a vision for the future some people have the impression, Mr. Chairman, that when they become elected, they know everything. I don't profess to know anything. I go and I ask the experts in the field. The universities say, "Minister, send us money and ask for advice." I ask them for advice. What should the future hold? The one thing I've learned is he who lives by the crystal ball better learn how to eat ground glass. The Treasurer's found that out. You can't predict the future. Who knows? What you can do is analyze in terms of demand based on certain projections, which is a guesstimate at the best of times. We do know this: the future – and the member's right on – belongs to those who will have 14 to 17 years of learning by the turn of the century. That evidence seems to be pretty good; I don't disagree with it.

In terms of the quality, Mr. Chairman, the U of A is about the fourth in Canada. It attracts about \$65 million in research funds, the U of C about \$55 million. The quality of an institution, in my view, is almost in direct proportion to the quality of its personnel, because research grants are fought for, not given. The National Research Council of Canada doesn't give money. They respond to applications based on the quality of research in an institution, which raises the whole question about degree-granting. I'm told from the U of C, from the U of A, that research is an integral part of teaching, notwithstanding what Stuart Smith says. I'm sure you've read his report. If you haven't, with the proper subscription I'll get you a copy.

The hon. member talks about crowded classrooms. I have not had the opportunity – I'm going to do it. There's the 1 and a quarter billion dollars across the river at the U of A – I'm going to go over there at 6 o'clock some morning or 7 o'clock some morning and 10 o'clock some night, into those classrooms. I am told they're crowded from 10 in the morning until 2 in the afternoon. If that's the only time they're used, maybe we should rent them out to somebody else. If a professor's going to say the only time he's going to have a class is at 11:15 in the morning, is that the problem? If you take the area we pay for at \$55 a square metre, there's all kinds of room. So I have some trouble with this 400 and 500 and 600 and 700 and 800 in a class. If you're going to do it all in four hours, hey, I understand. But is there some law that says – we pay 24 hours a day over there – that they can't operate for 16? I put in 16-hour days. Maybe I'm overpaid for it, unless you want to talk about professors' salaries, hon. member. I have a slip here about that. But I promised not to talk about it.

Calgary-McKnight raised some very interesting questions, and I think I've answered the question, Mr. Chairman, with regard to the funding. The hon. member wants a royal commission on postsecondary education. If it's going to cost \$3 million or \$4 million or \$5 million, I think in many ways we've done that equivalent. We've reviewed the student residence question, capital funding question, guidelines for system development, duplication. We got responses from the institutions. The Future Roles of Universities in Alberta is currently under way. How many other studies should be done, and should we spend \$3 million or \$5 million or \$7 million that could be used for students for a royal commission? Is that what the Member for Calgary-McKnight wants? I don't think so.

The hon. member would like Mr. Dinning and I to join jobs. Well, that's the prerogative of the Premier, not me. My view is, frankly, that postsecondary deals with adults, so maybe Career Development and Employment and those kinds of things fit in with postsecondary, and maybe family fits in with elementary. I'm not qualified to judge; I'm not going to make a judgment.

In terms of co-op ed, hon. Member for Calgary-McKnight, a top priority with me is the University of Calgary co-op ed program. But \$8 million: I'm strongly supportive; you show me how to get it.

In terms of the food banks, I have some difficulty with this. In terms of the student application for loans, there's not more than 2 or 3 percent who identify food as one of the items that they're short of. If you want to talk about foreign students, if that's what you want to talk about, that's a different matter. If they cannot afford, either from their sponsoring nation or whoever sends them here to live while they're here, surely the Alberta taxpayers shouldn't be doing that. The institution's going to have those students as graduate students working and teaching, and surely it's within their \$300 million budget across the river to find that. Surely we shouldn't be providing social assistance for foreign students.

Mr. Chairman, I want to respond to the Member for Ponoka-Rimbey. I cannot answer his question in terms of comparison to other provinces individually. I think our U of A is about fourth in the country. It's the second largest English-speaking university we've got in terms of funding. Notwithstanding *Maclean's* magazine, which puts Calgary at 26th, Calgary's in the top 10 in terms of research institutions in Canada. If you look at SAIT and NAIT and compare that to Ryerson, hon. member, I don't know where that compares. I do know there's only one Banff Centre; there are only four colleges of art. Athabasca U is unique not only to North America: the only institution in North America that grants a master's degree in distance ed, and that's a budget of \$17

million a year. So, if you look at the aggregate, we do pretty good. If you want to pick out each institution, I'm not saying BCIT is not better than SAIT and so on; I don't know that. Hon. members can find that out by simply writing letters.

I want to just conclude, Mr. Chairman, on several points raised by the Member for Ponoka-Rimbey. Degree-granting: I'm excited about degree completion. I'm told that on the one hand you cannot have, it will not work to have, an undergraduate liberal arts program without a research component built in. I don't understand why you cannot have the four-year American college system that grants a BA degree without the research component. I don't understand that. But the universities tell me, "Mr. Minister, you can't have it without that." I don't understand that. I'd like to see Grande Prairie get off on that BED program, and the degree would be U of A.

Red Deer College now has degree-granting with regard to the baccalaureate program from the U of A at Red Deer College. I think that's exciting. The Medicine Hat proposal to me is exciting; expensive, but exciting. But if we're going to talk about degree-granting in Red Deer College at \$140 million, then you have to tell me which institution I have to take it from. They want to close Mount Royal? Grant MacEwan? Westerra?

Finally, Mr. Chairman, the Member for Ponoka-Rimbey raised the question of the U of A that did a study called *The Next Decade and Beyond*, and when they hired a new president, he destroyed the book. It was never endorsed by the board of governors. It talked of several things into the future.

But the hon. member asked me about a vision. It just seems to me – I listened to Mr. Saywell from Simon Fraser – that electronics are here with us today. I don't understand why you can't have the best in terms of teachers on a huge screen and everybody watching, instead of somebody who doesn't even speak the language, as happens, hon. members know, at certain universities. It seems to me we're not utilizing technology because 80 percent of the operating budget of an institution is payroll. Why don't we put a little more in technology and a little less in payroll? That's sacreligious to even say that publicly. I know that. I'll be castigated tomorrow by faculties.

10:00

Mr. Chairman, the scholarship trust fund is now under review. The Rutherford is very exciting. It's named after our first Premier, who, as you know, was made Premier by – you know who – the Liberal Prime Minister. His first action was to build a university in his own riding. In those days it was Strathcona. We don't talk about those things, but a scholarship in his name benefits about 15,000 Albertans. It's a very worthwhile one. We're now reviewing that, and I would hope to bring that to the House in the near future in terms of the new direction.

Finally, two elements left, Mr. Chairman. One is defaults of student loans. I'm very proud of the fact that we instigated some of the most exciting, positive programs in the nation and lowered defaults in student loans from 25 to 19 percent. That's a very significant reduction. Canada student loans in Ottawa has a billion dollars in defaults on a \$600 million loan program. I'm very proud of what Mr. Hemingway and his board have done with student defaults. We're heading in the right direction, so I think we've done something right.

With regard to stipends for medical students, the Minister of Health and I both have a vested interest. We're working on that now because I think it's very important. The Member for Ponoka-Rimbey made a good case. If articling accountants, articling lawyers, articling this, articling that, are receiving some form and not really producing much money for the firm, then why is it that

medical students, medical technology students, and those cannot continue to get that stipend? We're working on that now and hoping to have some type of announcement within a month. I'm prepared to announce it if the Minister of Health finds the money.

I'll just close off, Mr. Chairman. The Alberta vocational colleges and adult upgrading: I know how strongly the hon. Member for Ponoka-Rimbey, as a professional teacher, feels about educational opportunities for the disadvantaged in terms of our native people, our immigrants – people who don't even have the language – and others who've never had the opportunity. We devote a tremendous amount of money to literacy, about \$90 million a year. We put a high emphasis through the vocational colleges to see that people have this opportunity of upgrading. Whether or not the day will come when we extend programs to native people on reserves, I don't know. Our business with public funds is to fund public institutions that are accessible to the public. That's our mandate. Whether we would do something of another nature, I have no idea.

Mr. Chairman, I obviously haven't answered all the questions. I would ask hon. members to wait for the conclusion of the estimates period, when I would endeavour to get back to hon. members on all the questions.

With that, Mr. Chairman, I move that the committee rise, report progress, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Department of Advanced Education, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

MR. GOGO: Mr. Speaker, the business of the House tomorrow will be estimates of the Department of Education.

[At 10:05 p.m. the Assembly adjourned to Friday at 10 a.m.]