



Legislative Assembly of Alberta

The 31st Legislature
Second Session

Standing Committee
on
Families and Communities

Ministry of Education and Child Care
Consideration of Main Estimates

Wednesday, March 11, 2026
3:30 p.m.

Transcript No. 31-2-5

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The 31st Legislature
Second Session**

Standing Committee on Families and Communities

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Goehring, Nicole, Edmonton-Castle Downs (NDP), Deputy Chair
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Standing Committee on Families and Communities

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Ministry of Education and Childcare

Hon. Demetrios Nicolaidis

Jeff Willan, Assistant Deputy Minister and Senior Financial Officer, Financial Services and Capital Planning

3:30 p.m.

Wednesday, March 11, 2026

[Ms Lovely in the chair]

**Ministry of Education and Childcare
Consideration of Main Estimates**

The Chair: All right. I'd like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of the Ministry of Education and Childcare for the fiscal year ending March 31, 2027.

I'd ask that we go around the table and have members introduce themselves for the record. Minister, please introduce the officials who have joined you. I'll start to my right. Please proceed, Mr. Getson.

Mr. Getson: MLA Shane Getson, Lac Ste. Anne-Parkland, better known as God's country.

Mr. Lundy: All right. Good afternoon, everyone. Brandon Lundy, MLA for Leduc-Beaumont.

Mrs. Sawyer: Tara Sawyer, MLA for the outstanding constituency of Olds-Didsbury-Three Hills.

Mr. Singh: Good afternoon, everyone. Peter Singh, MLA, Calgary-East.

Mr. Nicolaides: Good afternoon. Demetrios Nicolaides, MLA, Calgary-Bow, minister of education. To my immediate left, Lora Pillipow, deputy minister; to her left, Meghann Eagle, assistant deputy minister of system excellence; to my right, Jeff Willan, assistant deputy minister of financial services and capital planning; to his right, Sarah Brennan, executive director of K to 12 fiscal oversight.

Member Gurinder Brar: Gurinder Brar, MLA for Calgary-North East.

Member Irwin: Janis Irwin, Edmonton-Highlands-Norwood.

Member Batten: Diana Batten, MLA, Calgary-Acadia and shadow minister of Children and Family Services and child care.

Ms Chapman: Amanda Chapman, MLA, Calgary-Beddington.

The Chair: Hello, everybody. I'm Jackie Lovely, MLA for the Camrose constituency and chair of the committee.

We do not have anybody joining us remotely, so I will jump now to the substitutions. For the record Member Brar is substituting as deputy chair for Ms Goehring.

A few housekeeping items here. Please note that the microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. Please set your cellphones and other devices to silent. Please do that now if you have not done that.

Hon. members, the main estimates for the Ministry of Education and Childcare can be considered for a total number of hours of six. For the record I would note that the Standing Committee on Families and Communities has already completed three hours of the six hours of debate. As we enter our fourth hour of debate, I'll remind everyone that the speaking rotation for these meetings is provided for under Standing Order 59.01(6). We are now at the point in the rotation where speaking times are limited to a maximum of five minutes for both the member and the ministry. The speaking times may be combined for a maximum of 10 minutes. Please

remember to advise the chair at the beginning of your rotation if you wish to combine your time with the minister's. Members are reminded that they may not share any unused portion of their five minutes with another member.

With the concurrence of the committee I'll call a five-minute break near the midpoint. Does anyone object to having a break today? All right. We'll proceed with a break.

When we adjourned this morning, we were four minutes and 20 seconds into the exchange between Mrs. Johnson and the minister. I'll now invite Mrs. Johnson to complete the remaining time in this rotation. Mrs. Johnson, you have five minutes and 40 seconds. Please proceed.

Mrs. Johnson: I'll do that really quickly.

Mrs. Sawyer: You have to introduce yourself into the record.

Mrs. Johnson: I'm introducing myself?

The Chair: You're on right now.

Mrs. Johnson: Jennifer Johnson, MLA, Lacombe-Ponoka. It's my time?

Mr. Lundy: It's your time.

Mrs. Johnson: Minister, let's talk about collegiate schools. I have read about a relatively new and only in Alberta school model that advances choice in education called collegiate schools. In key objective 3.1 on page 48 of the business plan it asks the ministry to enhance career education programming opportunities that enable grades 7 to 12 students to explore various occupations. I'm interested in learning a bit more about what collegiate schools mean for our education system and how they help to provide Alberta students with a world-class education. I've done that a little bit already with you, Minister. I think it was at Olds College where they were partnering with the local school. I think we were there together and saw what they were doing at that school. Could you describe exactly for us what a collegiate school is and what unique programming it can offer? How does Budget '26 support this unique programming across Alberta's education system? Is Alberta education supporting this programming in other ways?

If we get through those, I'll have one more follow-up.

Mr. Nicolaides: Okay. No problem. Thank you for your question. Collegiate schools are a very unique model that we use to help students strengthen and build career skills, practical career-related skills. They primarily exist as a connection or a co-operation between a high school, a school division, of course, that encompasses that high school, industry partners, and postsecondary institutions. Working together, they create opportunities for high school students to gain practical hands-on experience in particular occupations or future postsecondary pathways. For example, the one you were referencing, the Central Alberta Collegiate, which is a partnership with Olds College, the school division, and other industry partners, gives students the opportunity to gain exposure to careers that are relevant to the central Alberta economy while they're in high school. They can begin to gain that exposure while they're in their final years. Then, subsequently, they may be scooped up directly by an industry partner or proceed to some postsecondary expedited pathway with the assistance of the postsecondary institution that's co-operating in the development of that programming.

We are looking for ways in which we can help students build more career-related skills and expedite their pathways into

postsecondary programming and/or directly into careers. That's why we have provided funding in Budget '26 and in previous budgets to support the development of these collegiate programs. School divisions can make applications to the ministry to receive funding for start-up costs. If they are beginning a new program, obviously, there's some heavy lifting that may be involved, and there may even need to be, of course, some space considerations. If you're going to add welding bays into a corner of a high school that maybe doesn't have them, you will need some funding to help assist with something like that. Start-up costs can help cover that. In addition, we have a separate bucket, which are ongoing costs. School divisions can apply annually to receive funding to help support the ongoing development of a collegiate program they have in existence. That's a very high level of what they are. We do provide funding, and there is funding in Budget '26 to support the continued expansion.

Currently there are 28 collegiate schools in Alberta that offer a range of different programming such as health care oriented pathways, trades pathways, and others that help students get that jump-start on their next, future life goals.

The Chair: All right. We'll move over to the Official Opposition. Please proceed.

Ms Chapman: We're still on shared time?

Mr. Nicolaides: Sure. For now.

Ms Chapman: Thank you, Minister. This morning you had mentioned a change to the IMR, CMR funding, so I was just hoping I could ask a couple of follow-up questions about that. Of course, these grants as they exist currently accomplish very different things, with IMR funding being used for smaller, more regular maintenance: painting, flooring, things of that ilk. With the cancellation of IMR funding I am wondering about school boards who have some concerns about losing flexibility to address emergent or unexpected infrastructure. The allocation of IMR and CMR funding had very different criteria, where IMR was based on things like enrolment, building age, and the like. With this change – maybe you can help me understand where I see this on page 83 in the government estimates – where do I see the funding now for school infrastructure, and will all maintenance and operating funding need to now be capitalized costs?

Mr. Nicolaides: Yeah. Let me confirm with you if it is reflected on page 83. It may be under 5.1. I'm sorry; 3.3, operations and maintenance. Correct. That's the line number that contains that. Yes, you are correct. We have made a change to roll the two together. In addition to doing that, we have also increased, if memory serves me correctly, by approximately 5 per cent the funding that we provide to that line item. That's why you see that change reflected there.

3:40

In addition, yes, I have had some questions as well from school divisions about flexibility and being able to use the funds for a variety of different projects and necessities. Our intent is to provide the school divisions with as much flexibility as we can in the programming criteria so that they can continue to address those issues that they have at their schools. We're going to look at ensuring that there is that maximum flexibility and streamline by just having one grant for both of those purposes.

Ms Chapman: So it's not collapsing IMR under CMR. You're saying that you're essentially creating a totally new program? Like,

projects under CMR funding are major capital cost projects. I'm not asking this question the exact right way. I just need to understand how schools will have the kind of flexibility they had with IMR to do projects that would not have been capitalized costs.

Mr. Nicolaides: Yeah. I may have to defer over to Jeff to answer a little bit more about the specifics of how we melded this together. More specifically, CMR operates a little bit differently. That continues to operate, but we have discontinued the IMR grant, as I've mentioned, and rolled it into the operations and maintenance grant.

Ms Chapman: That's through the funding manual, correct?

Mr. Nicolaides: Yes. That's correct.

Ms Chapman: Thank you.

Mr. Nicolaides: Then maybe I don't need Jeff to comment further.

Ms Chapman: Yeah. It's difficult for me to do the follow-up question on that because we don't have the funding manual yet for this year. When you're saying that there's a 5 per cent increase, are you saying that a school – let's say that Rocky View school division got \$2.8 million through IMR last year. They would now see \$2.8 million plus 5 per cent of that come to them through the O and M through the funding manual?

Mr. Nicolaides: Not entirely. I think I will defer some of those specifics to Jeff. Just for clarity, the IMR is being folded into the operations and maintenance grant. That line item, the operations and maintenance grant, is seeing a 5 per cent increase this year.

To get into a little bit more of the specifics that you're highlighting, I'll ask Jeff to comment on that.

Mr. Willan: Sure. Thanks, Minister.

Again, Jeff Willan. IMR is now being discontinued. The reporting requirements around that are now discontinued, so we're reducing the red tape for school divisions. The money from IMR: some of that money went into the O and M grant, but also the O and M grant received a 5 per cent increase year over year. The cumulative effect is that O and M and IMR last year and then O and M this year is about basically a \$2 million decrease in funding year over year.

CMR is still a program that is funded separately. As you had stated earlier, it is for some of the other larger repair work on school buildings such as roofs or boilers and things like that. That program is receiving \$424 million over the next three years, of which \$134.8 million is in this year alone. That is roughly a 5 per cent increase over last year.

Ms Chapman: I got you. Okay. So CMR is the 5 per cent increase.

Mr. Willan: There are actually two 5 per cent increases. It just happens to be . . .

Ms Chapman: Oh. You said that the O and M grant is also increasing, but I think what I heard you say – if you take last year, IMR plus the O and M and then the amount this year is \$2 million less than the total of those two things.

Mr. Willan: Correct.

Ms Chapman: I got you. Okay. So a reduction in funding for schools for those maintenance projects. Thank you.

If I can go back just to clarify something, Minister, from this morning, I had asked the question about the cost of the collective

agreement. I think the question I had asked was: how much of the \$722 million increase to the total budget was required to cover the cost of the collective agreement? I just wanted to check. The figure you had given was \$150 million per school year. Is that for the total cost of the collective agreement, including, like, the changes to the northern retention, the substitute teacher pay, or was \$150 million simply the salary increase?

Mr. Nicolaides: I'll defer to Jeff. The \$150 million, from my understanding, is the cost associated with the 3 per cent increase alone.

Ms Chapman: With the salary. Okay.

Mr. Nicolaides: Unless I'm mistaken.

The total cost, Jeff is telling me here, over the entirety of the four years of the term of the collective agreement is \$1.6 billion.

Ms Chapman: One point six billion over four years, and is it fair for me to divide that number in four? Does it math out evenly per year?

Mr. Nicolaides: Probably not. Jeff can provide more detail on that.

Mr. Willan: I can just clarify, through the chair. Each year it's roughly about \$150 million in incremental salary over the previous year. Cumulatively though it grows each year over four years. In the first year, roughly \$150 million. Then the next year you still pay that \$150 million plus another \$150 million. Then there was the increase in the grid harmonization that will take place in September of 2026. That adds another between \$75 million and \$90 million per school year. Then that starts to tack on as well. When you math it out – I mean, we have to do some of the work with school divisions to get the exact amounts – it's going to run over \$1.6 billion over the life of the deal notwithstanding additional teacher growth as well. That's our forecast right now.

Ms Chapman: Additional teacher growth, like announcements in future years.

Mr. Willan: And as more teachers enter the system, that cost will continue to increase.

Ms Chapman: I understand.

Oh, I have one minute. I had a bunch of questions about the business plan. I don't know if I'll get to them, but I noticed that there are several metrics missing from the business plan this year that were reported in the previous year: high school to postsecondary transition rate. There are a number of others. Is the ministry no longer collecting the data on these metrics, or is it just no longer being publicly reported?

Mr. Nicolaides: I believe we're still collecting it. I'll stand to be corrected. We would still have that information as part of annual reporting that school divisions provide to us. However, of course, we've provided updated metrics that we're looking to track as part of this fiscal year related to shifting priorities, but I do believe we continue to collect that information.

Ms Chapman: It's collected; it's just not reported?

Mr. Nicolaides: Yes, it is collected and available, just not in the main business plan.

Ms Chapman: Okay. Thanks.

The Chair: Over to the government side.

Mrs. Johnson: Thank you, Madam Chair. Through you to the minister, we've already brought up collegiate schools this afternoon, and I'm going to go a little bit more into that and some other options that include that so we can get an expansion of that idea.

Alberta's government has a long and proud history of supporting school choice, with Alberta being the only province in the country that allows public charter schools to operate. Key objective 4.5 on page 49 of the business plan asks the ministry to "promote choice in education to enhance student learning through a variety of schooling options" for students and parents. Well, as the MLA for Lacombe-Ponoka I've got lots of options in my area, and I would say parents and students are taking full advantage of that. It's their choice and their freedom to do that. They're very happy with it. To the minister, how does Budget '26 support school choice, and what schooling options are available to Alberta students and parents? I'm going to add to this: why does it matter?

Mr. Nicolaides: You know, thank you. I think it's critically important that we ensure that there are a variety of different options available to parents so that they can choose the best possible educational experience that is best suited for their child, recognizing, of course, that each child has unique needs.

We do continue to provide support to a range of different operators. From a choice perspective, we continue to provide funding to support francophone school authorities, Catholic separate school authorities, home education opportunities as well as charter and independent schools. Now, that being said, over \$10.1 billion this year is going to the public system to help ensure that our public system is well equipped to address the student enrolment pressures that we've seen over the course of the past few years.

3:50

When it comes to charter schools, in particular – I should mention as well, apart from those options that I mentioned, we did talk a moment ago about collegiates. Those are important programs of choice as well and provide students that want to look at those opportunities the choice to be able to do that. But apart from that, just touching a little bit on charter schools. I think you touched on that as well. They've operated for a significant amount of time in Alberta. I think over 30 years that charter schools have been a feature of our education system. They continue to grow. They continue to expand. There continues to be demand for a range of different charter schools. I know, for example, we have STEM-based charter schools. We have other charter schools that focus on classical education. Other charter schools; for example, one that I know near my riding focuses on providing programming specifically for gifted students. They often work to serve very particular and unique interests. Supporting them and providing funding to support their operations is something that we will continue to work on.

Mrs. Johnson: Thank you, Madam Chair. Through you to the minister: then what new charter school projects can Albertans expect to see begin operating in our near future?

Mr. Nicolaides: Yeah. There are a number of different charter schools that will be opening their doors soon. Again, we continue to receive applications from charter schools all across the province. Even in smaller rural communities oftentimes we're seeing applications for new charter schools and in our larger urban centres as well. We'll support them primarily by providing funding to help support leases for existing charter schools.

A lot of our charter schools, of course, lease space, sometimes from school divisions or sometimes from other pieces of infrastructure

that are not originally school infrastructure, and so there are lease requirements associated with those spaces. We continue to support them by providing them with funding to support leases. We continue to support them by providing funding to help renovate and retrofit spaces. As I mentioned, you know, sometimes a charter school operator may find an office building or something that hasn't been primarily designed for a for a school and seek operation there. We can provide some funding to assist them in renovating and retrofitting that space to make it more suitable for an educational space as well, you know, in other ways.

We are also, I should mention, as part of schools now, approving additional charter school projects. In Budget '26, of course, we have approved an expansion of the Alberta Classical Academy in Calgary, an expansion to their facility in Currie Barracks. We will be continuing with opportunities like those as well when they become available.

Mrs. Johnson: Well, thank you very much for that answer, Madam Chair, to the minister. The minister mentioned that it's about a \$10 billion budget for education this year. It's a lot of money, and it's important that we talk about the efficiency and the value for money when we're talking about that kind of sum. As Alberta makes significant investments in education to respond to enrolment growth – here we heard: 80,000 students – it's important to ensure that these investments are delivering value for money and strong outcomes for students and families.

I know from government estimates at page 83 that the ministry overall operating expenses continue to grow in response to population pressures and service demand. Madam Chair, through you, can the minister speak to how the ministry ensures that education funding is used efficiently across the system? What mechanisms are in place to monitor how school divisions are utilizing funding provided through Budget '26?

Mr. Nicolaidis: There are a number of different things that we'll do to make sure that dollars are being spent in the most efficient way. For example, one of the things that we do is – we mentioned earlier this morning about many of the targeted grants that are available and provided to school divisions. Those funds, again, are really targeted to oftentimes support specific segments of the student population. We mentioned the English as an additional language grant, the refugee grant. That's very, very targeted. I say all that because one of the areas where we provide a targeted grant is related to system administration. We have a very targeted funding envelope that we provide to school divisions to support their administrative expenditures and operations, and it's very particular and very detailed.

In addition, of course, we want to make sure that our dollars, to your point, are being used effectively. I think one of the best ways that we can evaluate and explore if that's happening is by looking at our student rankings and student results. This is an area that I think all Albertans should be proud of because our education system continues to be ranked as one of the best in Canada and around the world. In some of the latest international rankings Alberta scored top in Canada in reading and, I believe, in science and in math as well. It scored very high; I believe second.

In addition, in those areas, apart from leading Canada, we also stack up against many of the leading jurisdictions globally. We're up there with jurisdictions like Singapore and other nations that have incredibly high rankings in areas like math, for example.

In addition, we also have very comprehensive reporting. We do require school divisions to report to us on how funds that are

allocated for specific purposes, be they to higher complexity teams or other initiatives, to ensure that those are used and spent in the right way. We also have our annual education results, our AR system, whereby we explore and evaluate the overall effectiveness of the education system, and those results are published annually by school divisions. So there are a number of different mechanisms that we use to ensure that operating dollars are being spent in the classroom where they should be and that school divisions are using those funds in the most optimal way.

Mrs. Johnson: We've only got a few moments left here. We've talked about this a fair deal, and it's about teacher supply and retention. I'm going to circle back to it just quickly and give you the last few seconds to address this. Maybe more specifically, could the minister outline how Budget '26 is supporting recruitment and retention of certificated teachers across Alberta through historic investments, record funding increases, competitive compensation, and addressing the class size and complexity at that same time?

Mr. Nicolaidis: Sure, very quickly in the 30 seconds I have I'll try and give a very quick answer. Obviously, we're providing historic levels of funding to our school boards so that they can hire more staff, which is the first piece there. As a consequence of Bill 2, teachers will have the highest take-home pay in western Canada, which is a strong mechanism that can be used to help support retention. In addition, we do have other grants and bursaries to help secure teacher recruitment and retention, primarily in some of our smaller and more rural communities as well.

The Chair: All right. We'll move over to the Official Opposition. Please proceed, Member.

Member Batten: Thank you so much, Madam Chair. Through you to the minister, would you like to share time?

Mr. Nicolaidis: Sure.

Member Batten: Excellent. Okay, I want to first congratulate the minister and the ministry, through the chair, of course, for the golden opportunity that has been provided, having child care inside the ministry of education. Of course, having that early childhood development all the way through grade 12 provides an opportunity to identify gaps and ideally address them while, of course, keeping the good parts while planning for a comprehensive strategy to support Alberta's children and youth now and, honestly, for generations to come. I recognize that early childhood development isn't something that was previously discussed in great length in the context of the education ministry; so let me just briefly remind everyone here that research clearly shows that investment in children years zero to five showed the largest economic benefit because that's where the foundations for academic and social development occur.

Madam Speaker, this is why it's so important and so exciting that the inclusion of child care is here in this ministry. I'm excited to learn more about how this ministry and minister are leveraging this gift through, of course, our discussions this afternoon. With that in mind, let's get to the numbers. Page 45 of the business plan 2026-29 indicates, "The ministry works to increase access to childcare by supporting childcare providers in offering high quality, accessible, affordable and inclusive childcare." Alberta's child care system has roughly 154,000 licensed spaces. If the Minister, through the chair, could confirm how many licensed child care spaces are currently available in Alberta, and how many of those spaces are actively operating and available to Albertan families?

4:00

The government's agreement with the federal government commits Alberta to creating 68,700 new licensed child care spaces, which would bring the provincial total to about 171,700 spaces. Originally they were due by the end of this month, so March 31, 2026. Of course, an extension was signed back in December of 2025 for a one-year extension, so now we have until March 31, 2027, to fulfill the necessities of that agreement. Through the chair: can the minister explain some of the factors that led to Alberta falling behind on space creation, and provide concrete actions the ministry is going to take in this upcoming fiscal year to accelerate the creation of safe, licensed spaces to meet that commitment?

Mr. Nicolaidis: Sure. Perhaps as a quick overview: indeed, the agreement that we had entered into with the federal government beginning 2021 until 2026 commits to the creation of 68,700 net new funded spaces. Since that time, of course, we are on track. As of September 2025 we have created 51,000 new child care spaces to bring the total number to 153,900. That's for children up to kindergarten age, which includes 15,000 nonprofit-based spaces, approximately 26,000 private spaces, and 9,800 family day home spaces. As you mentioned, we have negotiated a one-year agreement and are continuing to negotiate with the federal government to find a more sustainable long-term agreement that will ensure access to affordable child care for Alberta families.

Member Batten: Thank you to the minister for that answer. Through the chair, page 20 of the 2026-2029 strategic plan indicates that Budget 2026 is about improving access to child care for Albertans. When Alberta negotiated the original agreement, which the minister just mentioned, with the federal government back in 2021, Alberta took a slightly different approach than other provinces by including for-profit operators. This meant that public funds could be used by those operators to provide child care spaces for Albertan families, and, of course, the goal and the focus of that agreement centred around Albertan children.

Albertans want public funds to be used to strengthen services for families and communities, and to safeguard this, there was a cap on the number of for-profit operators that was included in the agreement to make sure the investment stayed focused on Alberta's priorities, which, of course, are our children. Alberta's system sits at about 59 per cent for-profit providers. Through the chair to the minister: what boundaries are being put in place to ensure that public funds are being used to support the future of Alberta through investment in safe, high-quality, affordable child care before profits, and how is the ministry planning to deal with the pressure that is likely to come from for-profit centres requesting increased public dollars to sustain their growth or profit?

Mr. Nicolaidis: As I mentioned, the agreement that we have with the federal government commits to the creation of 68,700 net new spaces. We're currently at just shy of 154,000 – 153,900 – so with the funding that we have received from the federal government, we're able to support an expansion of child care spaces, be they for-profit or not-for-profit, to ensure that families are able to access high-quality child care.

I know there continue to be some challenges because of some of the limitations that the federal government required as part of the previous agreement. The province was limited in the number of spaces that could be created through for-profit providers. We've successfully negotiated in our one-year extension to increase that number so that we can expand more spaces with our for-profit providers in addition to our not-for-profit providers. Fees continue to be reduced and capped at \$15 a day for full-time child care, and

we'll continue to work to ensure that Albertans have access to that, recognizing that in some communities there continue to be some challenges in accessing child care spaces, which is why we need to find a more sustainable long-term arrangement with the federal government.

Member Batten: Thank you so much for that answer. Just quickly here, can you share with us, through the chair, of course, to the minister, how many additional for-profit spaces are now permitted under the extension?

Mr. Nicolaidis: Five thousand additional for-profit spaces are permitted under the one-year extension.

Member Batten: Excellent. Thank you. Okay. Through the chair to the minister: again on page 20 of the 2026-2029 strategic plan, focusing on access, like the minister had just mentioned, there are some struggles across Alberta in terms of things like child care deserts. That is where, in Alberta, we have about 31 per cent of the province is considered less than adequate, where for every 10 children fewer than three spaces exist; 50 per cent of the province is considered inadequate, where for every 10 children, between three to 5.8 spaces exist; and only 19 per cent of the province meets the federal threshold, where for every 10 children there are 5.9 or more spaces there.

Given that many families are still facing wait-lists that span months or years, particularly in high-demand urban and rural areas, through the chair to the minister: does Budget 2026 include specific funding or initiatives aimed at expanding access in these specific child care deserts or areas of high growth, and how will the minister ensure that these new spaces are available to families in a way that reflects choice? Does the minister believe that Alberta's reliance on private operators, again at 59 per cent, is affecting how quickly new spaces can open and how consistently affordability funding is benefiting parents?

Mr. Nicolaidis: I don't think that the operator, be they for-profit or not-for-profit, has any bearing on their ability to create spaces. In fact, part of the reason why we negotiated an increase to the for-profit spaces is because we had reached the cap well in advance of the end of the duration of the current agreement. So we were actually, under the terms of the agreement, limiting child care providers from opening up more spaces. That is not conducive to helping families access high-quality, affordable child care. We shouldn't be limiting operators in creating new spaces, and that's precisely why we negotiated that 5,000-space increase, particularly for for-profits, because they're the only ones subjected to a cap. There is no cap in place for nonprofits. They can continue to expand.

Specifically related to Budget '26, we are investing approximately \$962 million to help ensure that there is access to affordable child care. That is part of the \$2.1 billion of the entirety of the child care program, and the \$962 million is funded by the province. The \$1.15 billion is provided by the federal government.

The Chair: Thank you so much, Minister.

We'll move back over to the government side, please.

Mrs. Sawyer: Thank you, Madam Chair. Through you to the minister, I'm going to cover up a little bit on the K to 12 curriculum if I could. I think you've heard me ad nauseam talk about my daughter being a first-year teacher, but she is very much looking forward to some of the changes that are going, and she likes what she sees so far, from what she tells me. I know she's not watching

and she'll grill me later on what I asked, so I have to take some good notes.

It is important that we have, you know, a strong, well-designed curriculum for a foundation for these kids, and as my colleagues mentioned on literacy, numeracy, and practical life skills: pretty important, and especially in those younger ages. What I would like to know is how does Budget 2026 support curriculum implementation, and what does the money allocated for curriculum implementation deliver for teachers and students for the purpose of curriculum delivery?

Mr. Nicolaides: Yeah. Of course, we're continuing an extensive effort that began under the previous administration to modernize Alberta's curriculum. There's still a lot more work to do. There are many pieces of our curriculum that are outdated. If memory serves me correct, our computer science curriculum is, I think, 20 years out of date, so there's a lot of work that needs to happen. But, of course, we're looking primarily at some of the important foundations of math and English. A lot of that has been completed, but moving into other subjects as well.

4:10

Obviously, developing and rolling out new curriculum requires additional support, so Budget '26 is investing just over \$40 million to support curriculum implementation across all of our school divisions. The funding that we provide can be used for a variety of different purposes. It can be used to field test curriculum. It can be used to field test and pilot, as I mentioned. It can be used for teacher professional learning and development, of course, to get up to speed on the new curriculum. It can be used to help support system readiness more broadly and ensure that our educational staff are equipped with the right tools and professional development that they need to be able to teach the new curriculum. Those are some of the key ways in which the \$41 million that we have allocated in Budget '26 help support curriculum implementation.

Mrs. Sawyer: Just to go with that, then, because I think maybe there's often a little bit of misunderstanding. Were teachers involved in the curriculum development process? And what have you done to make that curriculum implementation easier for the system?

Mr. Nicolaides: The short answer is yes; teachers are and were heavily involved in the curriculum development. They participate through a variety of different measures and mechanisms. We did establish – subsequent to my appointment as minister I established teacher consultation groups to help review draft curriculum before it was finalized, so from a developmental standpoint. Secondly, teachers are also involved in field testing, which is an important aspect, and then, subsequently, piloting. The field testing and the piloting are two different opportunities, or experiences, and teachers are involved on the ground in field testing the curriculum, subsequently piloting it, and getting it ready for final rollout. Those are some examples of how teachers are and have been involved in the process.

I should mention, just in terms of a little bit of a status update, if you will, as to where we're at on some of the curriculum implementation. Right now we have approximately 45 school boards and over 120 teachers that are involved in field testing the curriculum in some capacity and another 100 that are part of our teacher curriculum consultation groups that I mentioned earlier, that I formed after being appointed minister. Those groups right now are working to inform the development of the junior high science curriculum, the grade 10 phys ed and wellness curriculum, and grade 10 career education and financial literacy.

Mrs. Sawyer: Through the chair, thank you very much, Minister. Thanks for going a little bit deeper and telling us more. I think that's really helpful for anyone who's watching.

I'm going to switch over to performance measure 4(a), which is on page 49 of your business plan. It tracks how principals feel regarding their ability to attract and retain teachers. This fall, after we finished with the provincial-wide strike and we had the legislated deal, there was a commitment for the government to hire 3,000 teachers over the next three years. How much progress has the government made in keeping its promise? And what advantages does Alberta provide to teachers to work in the province?

I'm actually sorry – I'll just say it because it kind of ties in, instead of waiting: teacher retention in rural communities definitely has its own challenge. I see that especially in north communities. What does Alberta offer to ensure schools in the northern rural communities are well staffed?

Mr. Nicolaides: Yeah. Thank you. As you've noted, Bill 2, the Back to School Act, of course, provided a 3 per cent salary increase to teachers, 12 per cent in total, with the vast majority, over 95 per cent, receiving higher than 12 per cent due primarily to other adjustments, grid harmonization, and other pieces. Budget '26 provides funding currently to support the hiring of 1,600 teachers in the '26-27 school year alone, so that amount of funding will put us well ahead of our target of 3,000 as that can be accomplished in a single year.

Over the next three years the funding is in place and is being targeted to support the hiring of more than 3,000 teachers, as I mentioned, and more than 1,500 educational assistants. We are providing the requisite funding to our school divisions so that they can hire the staff that is required.

I think, as you mentioned, in terms of competitiveness or attractiveness to Alberta, Alberta is one of the most attractive jurisdictions for teachers. We offer one of the most competitive compensation packages and some of the most competitive conditions broadly in Canada. As I think I've noted a couple of times, teachers in Alberta will see the highest take-home pay in western Canada. This, of course, is supplemented by the fact that our tax regime is lower. The lack of a PST as well helps to strengthen take-home pay for teachers that they would not see in other provinces.

I mentioned as well about grid harmonization. Moving to a single grid will provide more stability for teachers and make Alberta more attractive. Now it will not be a matter of whether you go to school division A or B but recognizing that the entire province has a unified salary grid for teachers, which can help provide a more attractive incentive to individuals coming from other jurisdictions, recognizing, on that point very quickly, that we do certify approximately 800 teachers every year that come to Alberta from other provinces, that are looking for opportunities here. Of course, they provide us with their credentials, and we evaluate them and ensure that they're sufficient to Alberta standards. It's about 800 individuals every single year.

To your last point, I think you commented with respect to rural Alberta and other northern communities. Yes, they have some very unique challenges when it comes to recruitment and retention. We do provide a number of very specific bursaries, incentives, and other grants to help those school divisions deal with recruitment and retention in those smaller and more northern communities.

Mrs. Sawyer: Thank you. I have a little bit of time so I can try and squeeze this in a little bit. I don't think we've talked about this one yet. You did the announcement with the Premier regarding the 476 complexity teams that are going to go into elementary schools for

classroom complexity. They were prioritized because of – you mentioned it – how early intervention is much more effective.

I've had constituents call me about a program called PUF, short for program unit funding. I'm going to run out of time. Page 83 of the estimates, line 3.2, saw learning support funding rise by \$86.5 million in the '25-26 forecast. Question 1: can you explain what PUF is and who it is intended to support and how this helps the whole system?

Mr. Nicolaides: Yeah, perhaps very quickly. In 10 seconds, PUF is a program that supports the early identification and intervention of children identified with moderate language delays and other disabilities.

Ms Lovely: Thank you, Minister.

We will move now back over to the Official Opposition.

Member Batten: Thank you, Madam Chair. Through the chair to the Minister, just to clarify, the federal government agreement and the restriction that you had noted: that was the accountability measure in reference to public funds being invested into child care, correct?

Mr. Nicolaides: Could you rephrase? I don't think I quite understood your question.

Member Batten: In a previous answer you had mentioned that there were restrictions put around the agreement from the federal government, and I just wanted to clarify that the cap on for-profit investments in child care, that accountability measure: were you referring to that?

Mr. Nicolaides: No. Under the agreement the federal government imposed caps on the number of spaces that could be created from for-profit child care providers, and we reached that cap back in May. So for-profit providers were not able to create more spaces even though, to your previous questions, we continue to have need and we continue to have demand and other communities continue to need spaces. For-profit providers were limited and not able to try and fill those gaps.

Member Batten: Okay. Perfect. Thank you, Minister, through the chair, of course. That was actually the answer to my misworded question there, so thank you.

Of course, again referencing page 20 of the 2026-2029 strategy, which is all about improving access to child care in Alberta. Parents have raised concerns that some for-profit child care providers are choosing to decline enrolment and to exclude children for almost any reason, including capacity, behavioural issues, and other discretionary policies.

4:20

To the minister through the Chair: how do we reconcile this practice with the stated goals of parental choice? What measures are being put in place to prevent families from being forced out of programs? Can the minister explain what safeguards are currently in place to ensure that centres receiving public funds do not exclude children from enrolment based on arbitrary or nontransparent criteria? What protections exist to ensure that children with additional needs are not disproportionately excluded from our publicly-supported child care spaces given that the majority of our spaces in Alberta are for profit? And given that Alberta's child care system relies heavily on the private operators, does the ministry track whether certain children are being systematically turned away from licensed programs, and if that data is not currently being

collected, will the minister commit to reviewing whether enrolment practices are creating barriers for families are seeking child care?

Mr. Nicolaides: Sure. I'll have to come back to that question. I'll have to get a little bit more information from my team about some of those current practices of individual operators.

The key, though, is that through the agreement, irrespective of whether the provider is for-profit or not-for-profit, the \$15 a day is still the benchmark, so that parameter continues to remain the same and parents are able to access their provider, be they for-profit or not-for-profit. Again, there is no limit on the number of not-for-profit spaces that can be created under the current agreement. Those not-for-profit agencies can continue to create spaces. There were additional grants provided, space-creation grants, as well from the federal government to help support infrastructure to help expand spaces, so their not-for-profit providers are still able to continue to expand. There's no limit on that, but we are still seeing some of those challenges.

However, one of the main safeguards, I think, that is in place relates to the quality of staff as well. Staff are required to be certified. They do have to meet provincial government standards to achieve that certification and operate in a daycare facility, and in addition, many ECS providers also receive a program unit funding, which we talked about earlier, and other government funding to support students with disabilities. There are a number of different parameters that are in place.

Member Batten: Thank you so much, minister, through the chair. Yeah. I'm excited to hear a little bit more thorough answer on that because, of course, discussing how, you know, it's \$15 on average a day doesn't actually address the question about children being excluded from the program, so I look forward to hearing a little bit more about that.

Again looking at page 20 of the 2026-2029 Strategic Plan, looking at improving access to child care for Albertans, nonprofit organizations, by design, often make better fiscal choices regarding the quality of child care because their structure reinvests any surplus directly back into the care, into staff, equipment, and so on.

Given that Alberta has not yet reached its target for child care spaces, for nonprofit child care spaces, and families remain on wait-lists and that the expansion in the nonprofit sector remains far from its goal of 42,500 spaces having only added, in my numbers, fewer than 4,000 – if there's a correction, please, I would love to hear it – through the chair to the minister: can the minister outline how Budget 2026 supports the creation of additional nonprofit child care spaces? What measures are in place to ensure that the public investment prioritizes spaces that align with the quality and accessibility goals of the agreement, and will the minister explain what part of the 2026 provincial budget is specifically targeted to nonprofit operators such as capital funding or operating grants and how this spending is expected to close the gap there in nonprofit space creation? What performance measures are being reported publicly to show progress? Of course, with that understanding, and you had mentioned that Alberta is currently on track to reach its commitment of 68,000 spaces, what is the new goal for nonprofit spaces in Alberta?

Thank you.

Mr. Nicolaides: Well, as I mentioned, we are working with the federal government currently to negotiate a new long-term agreement. We have secured a one-year extension, but more work needs to be done to secure a long-term agreement that really works for Alberta. The current model that we have presents us with some very unique challenges. As you've mentioned, some parents and

families are still unable to access child care spaces. There were and continue to remain restrictions on for-profit child care providers even though they represent approximately 60 per cent of the total child care spaces. It would not be conducive to expanding access to child care spaces to limit one of your largest providers from being able to develop more spaces.

Currently, in terms of our status, as I mentioned, as of September 2025 we have created 51,000 new child care spaces. That brings the total number of child care spaces currently available to 154,000. That includes 15,000 from nonprofit facility-based spaces, 26,000 through for-profit spaces, and another 9,800 from family day home operators. Under the original space-creation targets the target included 42,500 for not-for-profit and 14,500 for family day homes.

We are well on our way to reaching those targets, but again we do have some challenges. We have rising costs in our child care environment that need to be accounted for. The federal government would need to provide significant more funding to help support the development of \$10 a day for all child care providers. They've indicated that they may not be able to do that, so we have to negotiate a model that will work recognizing Alberta's very unique mix of for-profit and nonprofit providers while maintaining access for families that need access to those child care spaces.

In addition, just back to your previous comment, a child care operator or provider, you know, may choose to or may not be in a position to accept a child for a variety of different reasons. It's hard to make an assumption about why any particular child is not being provided access. One of the main reasons, however, may be staff ratios. Of course, certain staff ratios need to be maintained. If a provider is unable to maintain the staff ratios that they are required to, they may not be able to accept an additional child at that facility. There may be a variety of different reasons that a particular provider may not be able to accept a child, so I don't think it's accurate or fair to hinge it on just one particular reason.

Member Batten: Thank you so much.

The Chair: Thank you so much, Minister.

We'll head back over to the government side.

Mrs. Sawyer: Thank you, Madam Chair. Through you, I fell victim to a joke I've been making about acronyms my entire life. The acronyms in the ag space: whenever someone new came in, I would do exactly what everyone just did to me. I'd laugh at them when they'd do it wrong. I was like: darn it. I'm used to saying it out until you know it. It's PUF.

The Chair: Hon. member, I don't know if we can use the words "darn it" in this session, so if you could please carry on.

Mrs. Sawyer: Oh. Sorry.

The Chair: We are in budget estimates. Please proceed with your questions to the minister.

Mrs. Sawyer: I shall.

I'm going to just repeat it, through you, Madam Chair, to the minister because I didn't give him much time to talk about PUF. I guess what I would ask is: does PUF fall under the learning support funding increase, and how much is it increasing under Budget 2026? I think it would be of value for everyone to understand what makes Alberta's approach to the program unique. How have you made it more accessible to those who are in greatest need?

Mr. Nicolaidis: The short answer is yes. It is a key component of the learning support funding.

More specifically – I have the number here – Budget '26 provides an increase to learning support funding of \$86.5 million. That brings the total investment there to \$1.84 billion. That represents an increase of 4.9 per cent from last year's forecast. That specific item, the learning support funding, supports a range of different grants. It supports the refugee student grant; the English as additional language grant; the First Nations, Métis, and Inuit grant; and, more specifically, the program unit funding grant as well.

4:30

Mrs. Sawyer: Thank you to the minister through the chair. Sorry, darn tickle. I'm not allowed to say that word, and I just did again. That's usually my not-swear word. I apologize profusely, Madam Chair.

The Chair: Hon. member, please.

Mrs. Sawyer: I just said I was sorry. I said I was sorry before you got me in trouble.

The Chair: Please proceed with your questions to the minister. We are in budget estimates. Education.

Mrs. Sawyer: I'm aware.

On the subject of learning support funding on page 83 of estimates, line 3.2, classroom complexity is one of the biggest challenges in our education system right now. You're very much aware of that, as is our Premier, which is why you struck a cabinet committee to make it a top priority of our government. Could you speak to what grants and supports fall under the learning support grant, and how do the increases in Budget 2026 affect these grants and address classroom complexity?

Mr. Nicolaidis: Yeah. As I was mentioning a moment ago, the learning support grant is a real comprehensive suite of grants that are available to school divisions. In total, learning support funding this year is about \$1.84 billion, so it's a significant amount of dollars being invested to support students and their unique learning needs.

More specifically, though, to go into the details for you, the learning support funding includes the following grants, and I'll walk you through those. It includes program unit funding, which, of course, has been the subject of your questions, and is primarily for children with moderate to severe language delays or with severe disabilities.

Very quickly, just pausing there on PUF, there has been in this budget a 6 per cent increase to the PUF grant specifically, and since about 2022, funding for PUF has increased by about 22 per cent.

Other grants that are included in the learning support funding include moderate language delay grant; the specialized learning support; English as an additional language; refugee student grant; First Nations, Métis, and Inuit grant; socioeconomic status grant; geographic grant; and the school nutrition grant.

I mentioned that PUF, specifically, will see a 6 per cent increase. The moderate language delay grants will also receive a 6 per cent increase, and 3 per cent increases will be applied to other grants, including the refugee student grant, First Nations, Métis, and Inuit grant, and other areas as well. These packages of grants, all encapsulated under the term "learning support funding," are specifically designed to help support students with unique or complex needs. That's why, I think, in the morning when we talked about classroom complexity and we talked about \$355 million, it doesn't capture the entirety of what's being provided. There's a lot more that goes into supporting students with unique learning needs. In total, as I mentioned, that's about \$1.84 billion this year.

Mrs. Sawyer: That's not an insignificant number, for sure. Through Madam Chair, that is billions. That's really good. I lost my train of thought. I apologize again.

The one thing, through Madam Chair to the minister, and you've addressed it before: this is just a start, and there are going to be more things coming up. That's the biggest question I would say that I do still get. We've got classroom complexities; we've got this. What's the next thing that we're going to be doing in the future to address it? Are you able to answer what your plans are for that?

Mr. Nicolaides: Yeah. Absolutely. There's a variety of things that we're working on. I mentioned, of course, just now, increased rates to the variety of these different grants that go to support students with very specific needs. In addition to that we have announced, of course, last month the \$143 million to create the 476 complexity teams.

Moving forward, apart from the increases to these grants that I mentioned, we are also putting \$355 million to support other initiatives to address classroom complexity; \$55 million out of that bucket is going to the existing classroom complexity grant. The classroom complexity grant was established in 2023 and provides school divisions with a funding envelope to support the diverse needs of their students, articulated broadly and generally. They can use that funding to hire psychologists, speech-language pathologists, occupational therapists, other staff as needed in their school divisions. One school division may use that funding for very different purposes than another depending on their local context.

The \$300 million that is remaining will be allocated to school divisions in a to-be-determined fashion. I will be asking school divisions to update their classroom reporting. Of course, we received a degree of reporting back in November. We will be asking them to update those numbers and use that information to help inform next steps in the allocation of that \$300 million. Apart from just the data, I'm also going to be speaking more with our school divisions to explore where other significant complexity pain points are and how that \$300 million can be best allocated to address those issues. Maybe it's identified that, you know, high school is a really significant area or junior high, or maybe it's identified that more resource officers need to be secured in high schools. We're going to look at all of those different options and use that to help inform how we allocate the \$300 million.

Apart from that there's also policy that needs to be adjusted and addressed. The Class Size and Complexity Cabinet Committee is beginning its work now. Having worked through the distribution of the 476 complexity teams, it is now shifting its attention to the development of a new inclusive education policy framework that will also include new standards for special education to help provide updated guidelines and direction to school boards about how to accommodate students with specialized needs and provide updated standards as to how students with those specialized needs should be accommodated in our school divisions.

Those are the many steps that we're taking to help address the growing issue of classroom complexity.

Mrs. Sawyer: Through the chair, thank you, Minister. It can't be understated. Having good quality data makes all the difference, and you guys going granular to really dig deep, I think, is a credit. Thank you for that.

The Chair: That's the time for the government side. We'll move back over to the Official Opposition, please.

Member Batten: Thank you, Madam Chair. On page 79 of the fiscal plan 2026-29 it indicates the government will maintain child care at \$15 a day. Through the chair, can the minister clarify

whether \$15 a day is now the government's long-term affordability goal? How does this compare to Alberta's previous \$25-a-day pilot program? How does the rate align with other provinces like Quebec and Prince Edward Island who have implemented down to \$10 a day?

Additionally, what steps is the ministry taking to further increase affordability while ensuring quality and access for families across Alberta? Through the chair, can the minister clarify whether the rate, \$15 a day, is calculated using the data from all licensed child care facilities across Alberta, or does it only reflect programs where the affordability grant is being applied? If some licensed programs are being excluded, how does the ministry ensure that the \$15-a-day figure accurately represents affordability for families in every community, including urban, rural, and Indigenous programs? Is the ministry planning to revise the methodology so that all licensed facilities are included?

Mr. Nicolaides: The \$15 a day is representative of the average across the entirety of our child care system. With respect to \$15 a day, of course, that's where our current standing is. We're having some significant pressure and challenges in achieving the \$10-a-day as outlined in our agreement with the federal government. Alberta is not alone in this respect. Many other provinces are struggling to achieve the desired \$10-a-day program, and Alberta has communicated very clearly to the federal government in co-operation with several other provinces that the current drive towards \$10 a day, under the current level of funding provided by the federal government, is simply not possible.

4:40

We have been working aggressively with the federal government. It's part of the reason why we were unable to sign a long-term agreement and why we were only able to secure a one-year extension. A different solution needs to be articulated. A different solution needs to be developed because working to achieve \$10 a day is not sustainable under the current framework and does not appear to be in any future scenario either.

Member Batten: Thank you so much for that answer. Through the chair to the minister, available child care spaces are only part of this picture. A barrier to opening new child care spaces is the shortage of early childhood educators. Alberta previously reported about 15,000 certified early childhood workers working in licensed care, and operators continue to report staffing shortages, which, of course, contributes to spaces staying empty instead of, you know, being the public investment to support Albertan families. The sector has repeatedly raised concerns about the shortage of qualified early childhood educators.

To the minister through the chair: does the minister believe that workforce strategies are part of the reason that new spaces are not being opened and that funding is going unused? As noted in the budget, there's \$48 million in unspent funds from last year, so I'd like to hear, through the chair, of course, to the minister: what specific actions is the ministry taking to ensure that centres have the staff they need to operate?

Mr. Nicolaides: Yeah. This is a part of the challenge with the current restrictions or lack of sustainability with the current federal agreement. It's part of the reason why we need to negotiate a new arrangement.

We have been able to make some very significant strides, though, in recruiting staff to help address the pressures that we have. I think in total at the moment we have approximately 14,000 – or we have been able, excuse me, to increase our workforce by over 14,000 additional child care staff. Our total now of early childhood

educators is just north of 32,000, which, as I mentioned, is representative of an increase of 14,000 since November 2021. We have made some significant progress in strengthening workforce and recruiting more individuals.

Again, the current parameters of the federal agreement are not sustainable and will not allow Alberta to realize the goal of \$10 a day, and so we are undertaking those additional negotiations with the federal government to secure a new model that will work best for Alberta, recognizing our mix of child care providers and the needs of Alberta families.

Member Batten: Thank you for that answer. Through the chair to the minister, page 83 of government estimates 2026-29, line 6.2, shows a forecast of just shy of \$360 million as an estimate for this year and then budgeted \$343 million for 2026-27, a difference of 17 million fewer dollars being invested in child care quality and worker supports. Through the chair, can the minister explain what accounts for this reduction in funding and whether it reflects changes to the program's priorities, cost structures, or eligibility criteria for these supports?

The decrease in funding does raise questions about the province's ability to maintain support for early childhood educators and quality initiatives. It raises questions about whether or not the government is able to meet key objective 5.2 on page 50 of the business plan 2026-29, which is "enhance quality licensed childcare through workforce investments that strengthen the recruitment and retention of . . . early childhood educators in the childcare system." To the minister, through the chair. This estimate coming forward reduces workforce funding by \$17 million. How will the ministry ensure that recruitment, retention, and professional development continues without limiting educators' access to training or wage enhancements? Given the importance of the workforce supports to maintain the quality in our child care programs, is this funding reduction temporary, or does it signal a broader shift in government policy's approach to early learning and child care?

Mr. Nicolaides: The \$16 million decrease that you'll see reflected in 6.2 on page 83 is primarily due to a \$36 million decrease of a one-time operating grant transfer from affordability and access to quality and worker supports. That \$36 million was further off-set, though, by a \$20 million increase in provincial funding in Budget '26 to reflect the one-year extension. So the net is the \$16 million decrease that you see there.

Member Batten: Okay. Thank you for that answer. Again through the chair to the minister, looking at page 83, government estimates 2026-29, line 6.2, will the ministry share any evaluation or accountability measures that are in place to ensure that any change in that funding does not compromise program effectiveness?

Budget 2026 emphasizes support for child care quality and workforce development. Through the chair, can the minister provide specific steps the ministry is taking to train and develop early childhood educators so that they are prepared to provide safe, inclusive care for our Albertan children, some of our most vulnerable, of course including those with disabilities or requiring trauma-informed care or behavioural challenges? What targets or performance measures are tied to this training funding, and how will the ministry report outcomes to show that educators are well prepared and that our vulnerable children are receiving the highest quality of care?

Mr. Nicolaides: First and foremost, certification as an early childhood educator is required, so an individual does need to bring their qualifications to the government for certification. That gives us a strong ability to ensure quality educators are in front of children

in licensed child care facilities. In addition, I should say more specifically that when we look at, let's say, level 1 ECE certification, that individual is required to complete a 45-hour postsecondary course. At level 2 they are required to demonstrate completion of a one-year postsecondary early learning and child care certificate program, and a level 3 is required to demonstrate completion of a two-year early learning diploma or equivalent. So there's a considerable amount of education that's required.

The Chair: Thank you so much, Minister.

Back over to the Official Opposition. After this section is done, we will have our five-minute break.

Mrs. Sawyer: Madam Chair.

The Chair: Sorry. What did I say? I'm looking at you. Government side, please. We will have our five-minute break as soon as your section is finished. Please proceed, Member.

Mrs. Sawyer: Thank you, Madam Chair. I'd like to discuss school board reserves and reserve caps, so I'm going to pivot if I may. Locally elected school board trustees carry an important responsibility. Albertans elect these trustees to make thoughtful decisions that reflect local priorities. Reserves are one of the tools trustees use to manage unexpected situations, everything from rapid enrolment shifts to emergent maintenance needs to supporting new school openings. While reserves rarely make headlines, Albertans expect that school boards will use them prudently, transparently, and in alignment with sound fiscal management. This fits directly with what is laid out in the Education and Childcare business plan under outcome 4, which calls for a well-managed education system. Under key objective 4.4 it emphasizes responsible operational and financial efficiencies.

4:50

Trustees must have enough flexibility to manage local realities, but Albertans also want to know that the reserve framework supports oversight and accountability. Given the scale of growth we're seeing across the province, many families are understandably curious about how the reserve framework balances trustee autonomy and provincial responsibility and how it ensures that funds are directed where they have the most impact, which is towards the students. Through the chair to the minister, how does the reserve cap under objective 4.4 support responsible fiscal management while respecting the autonomy of locally elected school board trustees?

Mr. Nicolaides: Well, I think in short that the reserve cap that we've brought into play ensures that dollars are being directed to the classroom where they're needed the most and to ensure that school divisions are not accumulating reserves, especially in times where every dollar needs to be directed to our classrooms. We have a framework that we do implement to help guide school divisions and establish specific targets related to the level of reserves that they're permitted to keep, so there are those maximum operating reserve limits. That is established at 6 per cent of total operating expenses. The limit also reflects Auditor General recommendations to ensure, again, that education dollars are actively supporting students rather than being held indefinitely, potentially, in surplus environments.

At the same time, the framework does respect trustee and school board autonomy in several important ways. The school boards retain full authority to decide how reserves are used, including whether it's used to support enrolment spikes or other kinds of volatility, to address emergent maintenance requirements and

needs, staffing pressures, start-up costs that may be associated with a new school that's coming online. So they do have that authority and they do have that flexibility. However, the boards as well, if they can demonstrate that holding reserves above the cap is necessary for some reason, can make that request for an exemption to the ministry. Then we would take a close look at why they're requesting to hold reserves above the cap, and then from their rationale we can make a decision as to whether we would permit that or not.

Mrs. Sawyer: Thank you, through the chair.

What reporting mechanisms are in place so that Albertans can see how education dollars are directed towards student learning, and how do these tools support transparency for the families?

Mr. Nicolaides: Transparency is primarily achieved through a variety of different public reporting measures that are in place, and it allows Albertans to see just very clearly how education dollars are being directed towards student learning. First and foremost, school divisions are required to submit an annual report. Prior to that, of course, there are annual budgets which parents and families have the ability to see and access those individual budgets of school divisions. There are, as is good practice, audited financial statements and detailed reserve disclosures. These are all reviewed as well. Apart from being available to be reviewed by Albertans, they're also reviewed by the ministry to ensure that we're monitoring the financial health of our school boards and to ensure compliance with the reserve limits that we have established.

Through these three key mechanisms that I mentioned – annual budget documents, audited financial statements, and the detailed reserve disclosure statements – Albertans can have a lot of insight into transparency as to how school boards are using the funds that they've been allocated.

Mrs. Sawyer: Thank you.

The current reserve position in the school divisions: what does that indicate about the stability and readiness for future growth on that, through the chair?

Mr. Nicolaides: Well, I think that the current reserve environment that we have demonstrates that our school divisions are financially stable and well positioned to be able to manage emergent needs or other kinds of growth pressures that they might experience. As an example – just looking more specifically at the numbers here for you – as of August 31, 2025, school jurisdictions reported approximately \$363 million in operating reserves alongside an additional estimated \$300 million in capital reserves. In total, in both capital and operating reserves, because we do separate them out and distinguish them for those specific purposes, our school divisions hold about \$663 million in reserve. That's a strong financial position to be in, and it helps to ensure that there's a rainy-day fund for our school divisions to be able to access those funds for emerging capital needs or, again, enrolment volatility or start-up costs for a new school that's coming online or for anything else that might warrant dipping into those reserves.

Mrs. Sawyer: Thank you, Minister, through the chair.

If we flip to page 49 of the business plan, performance indicator 3(b) tracks the average number of career education credits completed per high school student. The document indicates that tracking average credits completed in career education provides insight on how students are taking advantage of these career educational opportunities. This one is important to me because my home school of Acme has the dual credit program. Our new school is all about the NAIT innovation centre. I'll shout out the teacher

who put this in. We have kids graduating. She started giving them so they have ag credits, and they work with community partners. It's incredible. I digress to just comment that this one excites me because this is how we get kids into different paths.

Looking at the information provided, the average number of career education credits completed per high school student was 6.5 in 2020-21, while it was 7.3 in 2024-25. Can you explain what factors are behind the growth in the average? What career education options and programming does Alberta provide its students to make them competitive in the global economy?

Mr. Nicolaides: Sure. I think that there are three key reasons associated with that increase that you see in recent years. First and foremost, there's the recovery from COVID because, of course, during the COVID period a lot of opportunities for hands-on learning were really limited and nonexistent. So there has been a significant correction in those numbers and in students participating in those opportunities coming out of the pandemic and moving past that.

I would say that the second reason that we continue to see strong engagement in career education credits has to do with the very robust and strong fiscal and economic environment that we have in the province. There's no question that a lot of individuals, of course, are moving to Alberta and looking to Alberta for job opportunities. Young individuals see those opportunities as well and want to be able to jump right into those opportunities and connect in with employers, so they are taking advantage of those opportunities in career education to get a jump-start on future career options.

Thirdly, I would say because of our focus over the past few years on expanding career education and prioritizing career education. We've taken a number of different steps over the course of the past few years, including providing more funding to school divisions to help them expand access to dual credit opportunities, strengthen career education programming, and just create more general awareness, exposure, and understanding of career options that might exist. I think those three factors combined are why we see that increase.

With respect to your second question, I know I'm a little bit limited for time. In terms of opportunities to help them compete with the global economy, there are a variety of other options as well. CTS programming allows students to explore areas such as trades, technology, health, business, other emerging industries, dual credit programs, registered apprenticeship programs, and collegiate schools.

The Chair: All right. Five-minute break, everyone.

[The committee adjourned from 5 p.m. to 5:06 p.m.]

The Chair: All right, everyone. We'll resume with the Official Opposition.

Please proceed.

Member Batten: Thank you, Madam Chair. The future of the Canada-wide early learning and child care agreement you've mentioned, Minister, is currently under negotiations, and it had been acknowledged or it has been acknowledged that other provinces – pardon me. Prior estimates had acknowledged that Alberta was anticipating a decrease in federal funding over the next couple of years, but I wanted to note that some provinces, of course, have managed to share the cost of the program at a 50-50. I just wanted to confirm, through the chair to the minister, whether or not that is on the table for Alberta, as noted earlier and as noted on page 79 of the 2026-2029 fiscal plan. It reports there's \$2.1 billion allocated for child care in this fiscal year, where \$962 million is

provincially funded and the remainder, the \$1.7 billion, is provided through the federal government, so that's pretty close to 50-50. I would love some information there on what the target is that the minister is hoping to achieve with the federal government.

Further, in last year's estimates the minister that was responsible had shared that the flat fee was introduced, and I quote: to remove inequities between Albertans' accessing child care. To the minister: is the same sentiment being brought forward as part of the discussions with the federal government, where the removal of an income-tested subsidy is being held as a solution for granting access to child care in Alberta? Further, what concrete steps is the minister advocating for with the federal government for low-income Albertans, especially the 26,000 Albertan families, which is about 70,000 children, who were no longer able to access child care in Alberta through the introduction of the flat fee?

Mr. Nicolaides: I'll just at the onset confirm, as you noted, that there's currently a \$2.1 billion investment into child care. As you noted, \$1.15 billion of that is derived from the federal government and \$962 million from the province. Our contribution is an operating increase of \$237 million, or 12.7 per cent, from the previous year. That funding will help to ensure that we maintain \$15 per day under the context of the current agreement as we work towards negotiating a new agreement. As it relates to what we may negotiate for or argue for or are our priorities in negotiation, obviously, we're in active negotiations, so I won't divulge in committee the details of how we're negotiating with the federal government and other conversations that are taking place.

Our goal, though, at a very high level is to ensure that we have a model that is sustainable and that can provide Albertans access to high-quality child care. As I've mentioned before, the current model that we have is not sustainable. We cannot achieve \$10 a day under the current framework, so a new framework needs to be developed. In terms of what share the provincial government or the federal government will kick in and contribute, of course all of that is subject to negotiation. We are working through the appropriate channels with our counterparts, including the federal minister responsible, to undertake these negotiations and find a solution that will work. Again, I don't think it's a solution that will work just for Alberta but for the entirety of the country, as many other provinces are experiencing similar challenges.

As well, I think another important caveat that we need to continue to push for is a model that reflects the realities that we have in Alberta. As you noted earlier, 60 per cent of our operators are for-profit providers, so that warrants very unique considerations. We are unlike other provinces in that regard, where in Saskatchewan, just next door, the vast majority of their spaces are derived from nonprofit providers. We have to be really cognizant of the environment that we have and the operators and the families and the individuals behind those operators as well. I know that a lot of child care operators in my community, for example, are moms and small-business women, entrepreneurs, and other individuals, who open up these facilities to provide programming in their respective communities. So we have to ensure that we're taking steps that are going to continue to support those individuals and not pull the rug out from under them.

Member Batten: Thank you so much for that answer, Minister. Through the chair, now, just to clarify, there was no confirmation whether or not Alberta was interested in a 50-50 split eventually. I understand that things are under negotiation right now. Of course, I'm asking, you know: are you advocating for these things that we're hearing from Albertans? Further, Albertans are, of course, eager to feel confident that their child care agreements come with a

stable, long-term agreement with the federal government. Through the chair to the minister: what are the contingency plans should Alberta no longer be part of Canada and therefore ineligible for federal funding? Further, what reassurances can the minister provide to Albertans . . .

The Chair: Hon. member, we're in the budget estimates. I don't know that that's a question that would be in budget estimates.

Member Batten: Madam Chair, this is about the federal transfer. Since we've got \$1.17 billion coming from the federal government, that is inside the budget, I feel this is relevant.

The Chair: I'll leave it to the minister to decide whether he wants to answer that.

Mr. Nicolaides: I think conversations about our negotiations with the federal government, a child care agreement, and what a revised child care agreement might look like are significantly out of scope in budget estimates. If you have questions specifically related to funding that we're providing as part of our budget, I'd be very happy to address those.

Member Batten: Excellent. Thank you for that answer.

Again, going back, I haven't heard a confirmation whether or not Alberta is interested in going 50-50 at any time with the federal government. Again, this is just to clarify the investment that Alberta is looking to make. There is a report from the Auditor General, dated back in July 2025, that flagged concerns for the ministry, indicating a risk of overpayment by the department and a risk that parents were overpaying for child care and that educators were being undercompensated. The report made two recommendations to the department. One was to improve processes to verify the accuracy of the claims, and the other was to verify that child care operators were using the program funding appropriately. To the minister, through the chair: what steps have been taken to act on these recommendations? Well, if you're able to comment, are they part of your advocacy with the federal government?

Mr. Nicolaides: Yeah. I would have to respectfully challenge that. I'm not sure how Auditor General recommendations and progress towards implementation of Auditor General recommendations have anything to do with Budget '26 estimates. But, again, if you have any specific questions about Budget '26 investments, I would be happy to address those.

Member Batten: Okay. Thank you for that answer. The report from July 2025: why it is relevant to this budget is that we are talking about a lot of money. As we've said, \$2.1 billion allocated. When we're talking about that much money, as was mentioned before from a member across – we are talking about billions of dollars – being able to provide confidence to Albertans that those dollars are being used appropriately, I feel, falls within the scope of the budget. Again, if we can provide answers to Albertans about . . .

Mr. Lundy: Point of order, Madam Chair.

The Chair: A point of order has been called. Please proceed, Member.

5:15

Mr. Lundy: Thank you, Madam Chair. I believe this is a point of order: 23(b) speaking to matters other than under discussion. I felt that the minister provided a fair response to this, and I do find under our standing orders, this is 23(b). I will say that the Public Accounts

Committee is a great time, and if the member opposite is interested in joining us where this is more appropriate, I would certainly welcome her participation in that, but at this moment this is a point of order.

Thank you, Madam Chair.

Member Irwin: We were doing so well there. Gosh darn it.

No. This is absolutely not a point of order. I mean, I've been in already multiple budget estimates where similar lines of questioning, even if they're somewhat related or maybe more relevant to PAC, have been completely in order. The member has done a very good job of referring to the budget documents at hand. I know she was just referring to the business plan and other documents, and so this isn't a point of order.

I know that she only has about a minute remaining, so let's get back on track and hopefully have no more interruptions.

The Chair: Well, what I will say is this. I've already called the member to get her to focus back on budget estimates. I do find this to be a point of order. Please focus on the budget estimates. Let us move on.

Member Batten: Okay. To the minister through the Chair, you had mentioned how our early childhood educators are very important, and of course, that is correct. There are set out requirements in order for them to be certified; however, there is absolutely no mandated continuing competency or professional development required to ensure that they are continuing to provide that quality of child care. Can the minister, through the chair, provide guidance on that? The continuing competencies: would that be something that the minister would be bringing forward?

Mr. Nicolaides: Respectfully, again, Madam Chair, I'm not sure what certification and continued professional development of child care workers has to do with Budget '26.

Member Batten: It is part of budget line 5.2, is it not?

The Chair: Okay. That's our time.

Over to government members. Please proceed. Go ahead.

Mr. Getson: Perfect. Through you, Chair, to the minister: is it shared time?

The Chair: It's up to you.

Minister, the government members are asking if this is shared or block time.

Mr. Nicolaides: I'm comfortable with it being shared time.

The Chair: Okay. Please proceed.

Mr. Getson: Thank you, Madam Chair. To the Minister, just for your gratification, in case you don't steal any of my time answering the opposition's weird questions, if you could focus on page 80 of the fiscal plan and the ministry operating expense that have been a record of \$12.9 billion with \$10 billion dedicated to education on operational Budget 2026.

A little bit of preamble here for you, Minister. Alberta's education system: we've seen unprecedented growth in the classroom sizes. A lot of that is due to the uncontrolled federal immigration policies, and in my area, Minister, and through you, Chair, to the minister, I'm getting a lot of concerns from constituents. They're hearing a lot of the stuff that's taking place in the media. They're concerned what the opposition's false narratives are saying about what's driving the classroom sizes. Actually, one

constituent put: does the opposition's false stories on rising class sizes seek to improve education or only create political chaos in future partisan attacks? A lot of folks in my area are really concerned, Madam Chair, through you to the minister, that if we keep this up, it's going to put too much of a strain on the system, and they're really asking us to focus, literally, back on what matters most for their families and their children.

With that, Minister, Albertans deserve to hear the facts on this. If you can, correct the record. Could the minister provide clarity in these misleading opposition assertions regarding overcrowded classrooms? So clarify what is driving the classroom sizes, what the actual numbers of classroom sizes are under our government, and the last one, if you could, sir: how does this historic funding of the education under our government compare to funding periods when the opposition were in power seven years ago?

Mr. Nicolaides: Yeah. Thank you. Well, there certainly has been, as you've noted, a significant and unprecedented increase in our population over the course of the past few years, and that's put a significant amount of strain on our schools at levels that we haven't seen before: 2023 was an unprecedented year when it comes to population increases, the most significant population increase that we've seen in provincial history.

Now, while we've seen that, we have been taking steps to address the growing pressure. We have talked a little bit in this committee about the schools now initiative, of course, an \$8.6 billion commitment to build and renovate and modernize 200,000 student spaces. That was initiated in September of 2024, so very quickly to help get more school spaces under development.

The interesting component. You talked a little bit about class sizes and, I think, maybe some of the rhetoric that exists out there. What we've seen from our data does not really support that. When we look objectively at the information that we have, less than 1 per cent of classrooms – well, let me back up. When we talk about classrooms of 30 or when we talk about classrooms of 40, what our data has shown is that the majority of those types of classrooms are in elective programs and effectively non-core courses; for example, things like fine arts or other kind of combined classes or CTS programs or things of that nature, because of course, as we can understand, at a high school you may only have one CTS course in welding or in any other kind of programming, so every student that's interested has to facilitate and work through that. In fact, 73 per cent of those types of classes are in junior high and high school when we see those large class sizes. We're not seeing class sizes of 30 or 40 in our elementary school environment. There are some, but it's very, very small amounts. The vast majority of any kind of classes we've seen from our data that is representative of those 30 to 40 are in those junior high and high school electives, as I mentioned.

Currently, the average class size right now in the province is 25, so when we look more specifically, recognizing of course that some areas will be higher and some will be lower, the average in our municipal centres is approximately 26. In our largest cities, in Calgary and Edmonton, 26 is lower, in our smaller communities and in rural communities, but that does bring the average to 25 students. Again, that doesn't mean there aren't hot spots. There certainly are. It doesn't mean that there aren't class sizes of 30 and 40 that don't exist; they certainly do, but our data and analysis show that it perhaps is not as widespread or as significant as maybe some commentary would lead us to suggest.

Mr. Getson: Thank you for that, Minister. Back through the chair, maybe just a bit of follow up on that. You're noting that around 25 is kind of the average, and you have some larger ones. With that,

just following it again, how does the budget apply to this of – I guess, firstly, Minister, what would be the target? What is the optimal size for classrooms on average, whether it's high school or junior high? And then the second part: in those areas where they have exceeded that classroom size, what is the intent? How does budget address bringing those classrooms back into that target range?

Mr. Nicolaides: Sure. Well, there's a lot of debate not just in Alberta but from an academic standpoint on class sizes and recommended class-size levels, and there's a lot of variety in that debate. I think what's important, though, is that we work through the initiatives that we've developed, more specifically connected to the budget, of course, the \$8.6 billion schools now program, to add those additional spaces, and the historic 7 per cent increase to that will help hire more staff. By aggressively moving forward with those two elements – building more schools, adding more spaces – and subsequently hiring more teachers and other educational assistants, we'll be able to relieve those pressure points, and we'll be able to relieve those environments where there are classrooms that are a little higher than might be more reasonable. You know, in terms of actual specific targets, we don't have specific targets within Alberta, and there continues to be, as I mentioned, a lot of research and academic debate on class-size level and appropriate class-size levels.

All that being said, you know, I think it's most important that we put our attention towards getting more resources into the classroom, hiring more teachers, hiring more EAs, building more schools, and that's what we're committed to doing, as represented through the historic investment that Budget '26 provides.

5:25

Mr. Getson: I appreciate it and, Chair through the minister, I appreciate the clarity again. When our folks are out there trying to compare these numbers and the statements that are made, they can't find it because, honestly, it's a bit of a moving target depending on the jurisdiction, so thank you for that clarity.

I'd like to touch on, if I can, key objective 4.1 on page 49 of the business plan. It directs the ministry to implement school capital strategies to modernize and increase student spaces in the greatest need. Through you, Chair, to the minister, again, there's a lot of stuff out there – information, misinformation, or otherwise – or folks trying to disseminate what's real and what's not when it comes down to the building and the investments. With that, can you help my constituents understand, to cut through the noise if you can, where are the capital investments going? With it, how many schools were approved under the opposition's time? I know it might be reaching a little bit back into the wayback machine from 2015 to '18 compared to what we're doing now with the capital program. Like, are these in the same target range, or is it a bit different? And then the second part is: what specific strategies are you using to accelerate the school construction in approvals compared to what was done in the past? Is there a contrasting comparative that you can lean on here?

Mr. Nicolaides: To help provide some more clarity for your constituents and other members of the public, you know, there's a lot of conversation, of course, about school projects and school development, so happy to provide it on more of a detailed overview.

I do have those numbers directly in front of me, so I am able to provide some comments. From the years 2015 to 2019 48 school projects were approved. From 2019 to the current year 203 projects

have been approved. In addition to that, as we've mentioned mostly through the morning, there's also been the development of the schools now program, which also includes an accelerated approval process to ensure school projects are able to move forward to the next stage, be that planning, design, or construction, as quickly as possible. There's now a record number of school projects active. There are 161 school projects under construction. Of course, they're at various phases. I say under construction generally because they may be in one of those three distinct phases of project development: 62 are in the planning stage, 37 are in design, and 62 are in the construction phase at the moment.

The Chair: That's our time. Back over to the Official Opposition.

Member Batten: Thank you, Madam Chair, and to the minister. Page 50 of business plan 2026 to 2029, performance metric 5(a) speaks to child care programs safely operating, emphasizing that the goal of the child care agreement is to provide safe, accessible, high-quality child care for Albertans. Today there was a call of action put out that highlights holes in the legislation. To the minister through the chair, the request from a letter provided from concerned parties had three actions for the ministry. One was to amend the Early Learning and Child Care Act to establish a government-led system for notifying all parents when children at a child care program are exposed or around a serious physical or sexual abuse situation. It asked for clear timelines for disclosure of all serious incidents to parents and the establishment of minimum notification standards. It asked for a creation of a publicly accessible online portal that brings together all child care licensing and compliance records, and it asks for a commitment to regular comprehensive reviews of the legislative framework. Through the chair to the minister: can the minister commit today to implementing these changes? If yes, where in the 2026 budget would the funding for these actions come from? And if no, how does the minister plan to rebuild confidence for Albertans that their children's safety is a priority for the minister and the Ministry of Education and Childcare?

Mr. Nicolaides: Well, I won't get into details about the NDP presser that occurred earlier today because, of course, this committee is supposed to explore and evaluate the Ministry of Education's and Childcare's budget. I'll leave comments about the NDP presser to debate in the Legislature or into question period, as it occurred earlier today.

Regarding safety, however, child care safety, of course, is a priority, and we investigate serious allegations that occur. There were changes, as well, back in 2024 with changes to the early childhood and learning act to permit greater enforcement options, including financial penalties for operators, to help strengthen accountability. As well, we talked earlier about the certification requirements that are required of early childhood educators, and those certification requirements must be adhered to for any new individual to be certified by the province. Of course, happy to take this opportunity to encourage any Albertan or anyone with any issues or concerns relating to a licensed child care operator to contact Childcare Connect and provide more information about any concerns that they have so that may be investigated by the appropriate division.

Member Batten: All right. Thank you, Minister, for that answer. Just to be clear, the reference to the modifications in 2024 to the Early Learning and Child Care Act were solely penalties. There was nothing introduced to prevent these terrible situations from occurring.

Further, just to clarify from a prior question, I'd asked about continuing competencies. I had asked or confirmed that it was budget line 5.2 – apologies. Actually, line 6.2, page 83, of the government estimates. The mention of certification for the child care workers: of course, that is up front. However, there is no mandated continuing competency, so if the minister could provide some insight into that.

I also just here would like to, through the chair to the minister, remind us that back in fall 2023 several Calgary child care centres were involved in the worst E coli outbreak this province has ever seen, where close to 500 Albertans became ill and over 20 Albertans developed hemolytic uremic syndrome, which has long-term implications for both general and reproductive health.

Page 50 of the business plan 2026-29, performance metric 5(a), again, speaks to child care programs safely operating. Through the chair to the minister: following the occurrence that happened in the fall of 2023 there was a report in June '24 from the Food Safety and Licensed Facility-based Child Care Review Panel, of which the panel provided safety recommendations. To the minister: which of these recommendations have been provided to prevent this from ever happening again, again, maintaining that safety inside our child care system? For recommendations that have not yet been implemented, what is the ministry's timeline for action? How will the government report on the progress to ensure these changes are actually strengthening safety for children in child care and rebuilding, again, that confidence that Albertan parents can trust that the ministry has set their children up for success?

Mr. Nicolaides: Well, when it comes specifically to that objective in the business plan, we do have robust measures related to inspection and compliance in order to maintain their licences. Of course, compliance issues are primarily outlined in the early learning and child act. More specifically, though, as it relates to noncompliance, when there is a question of noncompliance, there's expanded monitoring, there are consultation visits, other action plans that are developed in partnership with the child care provider specifically to ensure that they are able to remain in full compliance at all times. And if there are issues of noncompliance, there are additional administrative penalties and other actions that can be taken, including revoking the operator's licence if need be.

5:35

Member Batten: Okay. Thank you for that partial answer, Minister.

Through the chair, again, I would love for Albertans to learn how many of the recommendations from that food panel have been implemented. Again, this was in response to the worst E coli outbreak. This has had long-term implications on children's health. It occurred inside a child care facility. I will again provide the minister an opportunity to confirm or deny whether or not those recommendations have been put through.

Also, just in reference to the last response, when we're looking at noncompliance, that is a reactionary – well, it is reactionary. It is not proactive. It is not preventing the harm from occurring in the first place. So if the minister could provide some guidance to Albertans on what proactive preventative steps the ministry has taken to keep Albertan children safe in child care.

Mr. Nicolaides: Apologies. With respect, Chair, I didn't hear any question there related to anything related to the Ministry of Education and Childcare's main estimates. This is not a policy committee. If the member wants to have a policy conversation, there are other vehicles to do that. But I didn't hear anything in there

related to the business plan or to the government budget and estimates.

The Chair: Actually, I did not hear any question either, so perhaps you'd like to take this moment to share something that is related to estimates.

Member Batten: If the minister pleases, through the chair, of course, it's page 50 of the business plan 2026-29, performance metric 5(a), speaking to child care programs safely operating. That is the tie to this 2026 budget from the Ministry of Education and Childcare.

Mr. Nicolaides: Performance metric 5(a) deals with the percentage change in the number of licensed childcare spaces. I think we have talked about that already at length with respect to the number of licensed child care spaces that we have in the province. We do have a current surplus of child care spaces, which is approximately, I believe – I'm just trying to find my note where I wrote those down. My apologies. We have 151,000 available child care spaces and currently approximately I think it was 134 registrations. So we do have a surplus of child care spaces. That is the performance measure that relates specifically to 5(a) of the ministry of education's business plan.

The Chair: All right. That's our time.

Over to the government members. Please proceed.

Mr. Getson: Thank you, Madam Chair. Back to the minister, again, Minister, we were just talking about key objective 4.1 on page 49 of the business plan. It directs the ministry to implement school capital strategies to modernize and increase student spaces in the area's greatest need. Minister, you were starting to talk about the construction starts that we had, and as it ended, I thought that maybe I would rephrase that question a little bit as it applies to rural schools.

Madam Chair, through you to the minister: oftentimes I think that folks at home are trying to disseminate the information that's being presented. When we're talking about school starts, sometimes people think it's a brand new, fresh school. In actuality, in rural Alberta – I'm sure it's similar in some of the larger urbans – you have, actually, a change of the inventory space. Like, demographics change, people change, those type of things. So sometimes you're consolidating an older asset, and then you're re-expanding or doing expansions on new schools or on existing schools to meet that capacity.

Under the vein of where you're talking about maximizing classroom sizes, spending the taxpayers' dollars appropriately to meet the needs, can you talk a little bit about those programs and potentially some of the grants for the funding that you have available to rightsize and modernize some of those schools? How does that work to the overall package of delivering that classroom space?

Mr. Nicolaides: Yeah. Many of the projects that we have under way currently relate to modernizations and replacements. I can't remember – I think Jeff in one of his sticky notes there had the number, but I think his sticky note situation is a little unmanageable at this level. Maybe not.

You know, we do have, of course, the dual challenge of having to respond to a significant increase in population growth, which is being delivered through Budget '26 by providing increased funding to build new schools, but at the same time we also have the challenge of aging infrastructure. To your point, oftentimes with some of that aging infrastructure, especially in our smaller

communities, it creates opportunities for consolidation, for two facilities to become one. I know in Budget '26 one of the 40 approved projects that we have announced includes one of those consolidations in Fort Saskatchewan, where we're providing planning funding so that the school division can begin to work on an amalgamation of two schools into one, into an updated facility, which is, of course, more cost-effective.

In addition, a significant component of the funding that we're providing currently to support school infrastructure is directed towards modernization initiatives, which do affect our larger cities as well but predominantly exist more in our smaller communities.

Mr. Getson: I appreciate that. Through the chair to the minister: I appreciate the clarity on that. It helps a lot when folks are trying to get through the details.

School choice is where I'd like to head to next here, and that's on the ministry fact sheet located on page 45 of the business plan. There is an outline there of the ministry's education structure, and I want to just highlight how diverse the options are for educators in Alberta. Again, it's the apples-and-oranges comparator except in Alberta, because of the way we strongly believe in education choice, it's more like apples, oranges, bananas compared to grapefruit. The other jurisdictions don't have the same choice that we do.

Through you, Chair, to the minister and for the benefit of the committee: could you provide an overview of what per cent of the student populations each of the schooling options represent? How do independent school operators differ from the charter school operators, and how is the ministry supporting the Francophone options in the Alberta school system as well, sir?

Mr. Nicolaides: Yeah. As you've correctly noted, Albertans receive education through a variety of different publicly funded options. We've noted some of them: separate, francophone, charter, independent schools, home education, Catholic. These are some of the options that are available to them.

At the moment in terms of an overview of the student population approximately 3 per cent of Alberta students are in home education programs. Approximately 7 per cent are in our independent schools and private ECS operators, and our public, separate, francophone, and public charter schools together collectively represent more than 90 per cent of total enrolment in our education system. Of course, there is choice. There are options available, as we said – home education, independent schools, other options – but the vast majority, well over 90 per cent, are choosing those public education options.

I think you had asked about francophone options as well. In terms of francophone options we are taking steps through Budget '26 to help support francophone education in a variety of different ways. As an example, we are increasing the francophone equivalency grant in Budget '26 by 3 per cent, and that builds on last year's 25 per cent enhancement. We're also supporting capital development as well. As part of Budget '26 a number of different projects that are moving forward are for francophone school authorities as well.

In fact, last week – my apologies; it may have been earlier this week, on Monday – when I announced the 10 new projects for the Edmonton region or the Edmonton community, three of those were for the francophone school division, and they heralded it as an incredible day of celebration for the francophone community as it marks an incredible step forward in ensuring there is equivalency in education options for francophone Albertans. That's another example of some of the steps that we're taking to help support francophone education in Alberta.

Mr. Getson: I appreciate that, Minister, through the chair to you. Thank you for that. Again, I know my constituents enjoy the options, especially when, you know, family circumstances change, those type of things. It goes a long way to be concentrated on the outcomes of what the kids are getting for education rather than where they may or may not choose to get it through their parents.

5:45

The next one I'd like to go over to is key objective 4.4 on page 49. The task for the ministry says to "continue to create operational and financial efficiencies within the education system by identifying options that improve consistency and streamline processes and procedures." Minister, you know, you're getting an uptick for your budget, but there's only so much juice that we can squeeze out of the orange in a deficit position. So the questions I'm going to ask you about are efficiencies. Taxpayers need to know what you're doing to make sure their dollars are getting stretched as far as they can.

What funding efficiencies has the ministry found in Budget '26 to responsibly manage its expenses? How many teachers and educational assistants could be funded by these budget savings if there are some – and I sure hope there are – and will this funding go directly to any classroom? How are you allocating any potential resources you have, and what are you doing to find those efficiencies, sir?

Mr. Nicolaides: Yeah, obviously in times like this, where we're under significant and unique enrolment pressure compounded by classroom complexity and financial constraints as well, of course, although the ministry of education is receiving a 7.2 per cent increase that's on the backdrop of a \$9.6 billion deficit for the government as a whole. We have to keep that in mind. With that in mind, we do want to make sure that we are finding as many operational and financial efficiencies as we possibly can.

There are a couple of things that we're undertaking as part of Budget '26 to help ensure that we provide funding efficiency. First and foremost, as I mentioned earlier, we are reducing funding to the administration grant while at the same time preserving and increasing investments to the classroom. As I mentioned earlier, funding to our school divisions is provided in very targeted grants for specific purposes. So the administration grant, I think as one can decipher, goes specifically towards administrative-related costs. We are decreasing that as a signal to tell our school divisions to ensure that they're operating as lean as possible given these challenging financial times.

We talked a little bit about the discontinuance of the infrastructure and maintenance, IMR, grant. That will help provide approximately \$110 million in savings over the course of the next three years while still providing school divisions with funding through operations and maintenance and CMR to ensure that they're upgrading and upkeeping their facilities.

Further to that, rolling that remaining \$50 million in IMR funding into the operations and maintenance grant will help school authorities have the flexibility that they need to manage their operations with less red tape. There's always a cost associated with red tape, and this will help alleviate some of that and provide more flexibility as they're working to address the operations and maintenance requirements of their school division.

I realize that I'm running out of time. Of course, efficiencies that we're able to realize have a compounding effect of helping to redirect needed dollars into our classroom where they're needed the most.

The Chair: Thank you so much, Minister.

Over to the Official Opposition.

Member Gurinder Brar: Thank you, Madam Chair. I want to begin by grounding this discussion in realities faced by families in my riding of Calgary-North East and surrounding communities, whether that is Saddle Ridge, Martindale, Taradale Cityscape, Skyview, Cornerstone, Redstone. These are some of the fastest growing communities in Alberta, and they represent the future of our province. These are also those communities where families are seeing first-hand the pressure on our education system.

Parents in Calgary-North East tell me three things over and over again: that classrooms are overcrowded, children are learning in hallways or modular classrooms, and families are waiting for years for new schools to be built. I met a family recently, Madam Chair, and they live right in front of the school, but they could not send their kids to the school which is built right in front of their home. Their kid has to travel more than an hour each way every single day to get to the school in the other quadrant of the city.

When we look at Budget 2026, the fiscal plan, the business plan, the budget estimates, they all recognize that the enrolment growth has gone up, and these are the communities that have language barriers, that have special-needs kids, and these are the complex classrooms that I'm talking about. The question remains for the families in Calgary-North East: will the investments in this budget actually keep up with the population growth happening in these communities?

Minister, the fiscal plan '26-29 shows total spending for Education and Childcare rising to about \$13.4 billion in '26-27. It's outlined on page 161 in the fiscal plan; however, the fiscal plan also shows the spending growth slows in later years. Correct me if I'm wrong. Given that the communities in Calgary-North East continue to see some of the fastest enrolment growth in the province, how does the ministry plan to ensure the funding keeps pace with student growth in these communities beyond 2026-27 because the per student funding model was changed by this government a couple of years ago. The fiscal plan also notes the student enrolment continues to grow significantly across Alberta, so it will be great if we can know specifically how much of the increase in education funding in the fiscal plan is allocated to address enrolment growth in rapid growth areas like northeast Calgary.

The Education and Childcare business plan '26-29 outlines the ministry's objectives for improving student outcomes and supporting school authorities, and the business plan identifies improving high school completion rates as key objective performance measure 1(a), which is outlined on page 47 of the business plan, which shows completion rates and targets through '28-29. The question to the minister, through you, Madam Chair, is: students in northeast Calgary often face additional challenges including language barriers, newcomer integration. What targeted programs and what targeted funding does '26-27 budget include that will help improve the completion rates, specifically for northeast communities in Calgary?

On page 47 the business plan shows that learning support funding will reach about \$1.84 billion in '26-27. Minister, schools in Calgary-North East often have some of the highest classroom complexity levels in the province, so I would like if the minister will be able to explain how the ministry will ensure that this learning support funding reaches the schools in those communities.

Parents have repeatedly raised concerns about overcrowded classrooms and insufficient school space. I remember in the

previous capital plan there were a couple of schools that were announced in Calgary-North East, which included the high school in Cornerstone, elementary school in Redstone. These were both public schools, and there was one Catholic school that was announced, but none of these schools have actually been started. I can say this because I visited all these school sites before we headed down to Edmonton for budget estimates. I was wondering if we can see how much more funding . . .

The Chair: Sorry. Member, that's your time. You get a maximum of five.

Now the minister.

Member Irwin: Respectfully, Chair, you didn't ask whether he would get shared or block.

The Chair: Well, he just went ahead with block, and that was the time.

Member Irwin: Well, I'm just saying that you should give him the full five minutes.

The Chair: Let's proceed with the minister's answers.

By the way, Member, it was in the original instructions I read at the beginning of the meeting that it's a maximum of five minutes.

Member Irwin: Sure. I'm just . . .

The Chair: But let's proceed. There were a lot of questions there. Minister, whenever you're ready.

Mr. Nicolaidis: I'll do my best to address all of that.

Well, one thing I'll say just off the hop is that the government has been incredibly sensitive to many of the challenges faced by residents of northeast Calgary in particular. In fact, I don't know if it's true, I have to look at the whole list, but I think the member has the record for the most active school projects out of any other member. I'm going to actually look at the whole list and see. I think you win that award. There are a number of projects under way in the member's riding and neighbouring ridings. Northeast Calgary is a large quadrant of the city, so many of those other neighbouring ridings also include his constituents as well.

More specifically, though, I just wanted to give the member a little bit of an overview of some of the projects that are under way for his constituents. I missed one here. For example, there's a new 5 to 9 school moving ahead in Saddle Ridge; a new high school in Cornerstone; a new K to 4 school in Evanston; a new elementary in Redstone; two new junior highs, one in Cornerstone, one in Redstone; two elementaries, one in Cornerstone, one in Livingston; another school in Carrington. In addition, from previous budgets, we're also moving ahead with an elementary in Redstone; a K to 9 in Carrington; an elementary-junior high in Cityscape; a high school in Ambleton; another high school for a francophone school division in north Calgary.

5:55

There are a lot, so I think you should be able to communicate with confidence to your constituents that the government is working in an aggressive manner to ensure that the situation that you describe, where an individual is living across the street from their school and is not able to access it, becomes a thing of the past. There are well over a dozen school projects that are under way just in the northeast quadrant of the city.

In addition to that, we are providing record funding to Calgary school divisions to ensure that those schools are adequately staffed and equipped with the individuals that are needed to help support a

world-class education. More specifically, the Calgary Catholic school division is projected to see a 5 per cent increase in their operating funding this year. Furthermore, the Calgary public schools, the CBE, is expected to see approximately a 4 per cent increase in their operating funding. These are significant increased levels.

In addition to that, we have talked about the complexity teams that are being dispatched, many of which include schools in the member's riding. We've also talked about the \$355 million, the \$55 million distributed through the classroom complexity grant that is available to school divisions that deliver and administer schools in the member's riding. Further, other increases to other programs such as English as an additional language or to the refugee student grant or to other grants will be of primary benefit to the member's constituents as well as well as other communities across the province. I would take these key pieces of information that I'm providing and hope that that can give the member's constituents some comfort that more schools are under construction, more schools are under way, school divisions delivering programming to their schools are receiving more funding.

In addition, of course, as we look forward to future years, I am confident that what we're providing in Budget '26, representative of that 7.2 per cent increase, will help address enrolment increases and inflationary pressures as well. The numbers do fluctuate and change, but at the current moment our school divisions are forecasting about a 1.6 per cent enrolment increase for the upcoming school year, which is a significant deviation from enrolment patterns that we've seen over the course of the past two years. They've been much higher – 3 to 4 to 5 per cent – and so we appear to be heading into an environment of more normal enrolment levels. With the development of all of these new schools and the increased funding, it will allow the education environment to really balance out.

The Chair: Thank you so much.

Back over to the government side.

Mr. Singh: Thank you, Madam Chair, and thank you again, Minister and the team, for supporting a range . . .

An Hon. Member: Shared or block time?

Mr. Singh: Shared time.

Mr. Nicolaides: Yeah. I'm happy to share time.

Mr. Singh: Thank you again, Madam Chair, and thank you, Minister and the team, for supporting a range of education options to promote choice within the education system.

Through you, Madam Chair, I would like to get a better perspective on the budget item located on page 83 of the estimates, line 4, in the accredited private schools and early childhood services operators line, which has been allocated \$496,307,000. This is up from the 2025-2026 budget, where it was allocated \$461,107,000. I see that is an increase of almost \$35 million. Could the minister please explain the rationale behind this increase? How many new independent schools have opened across the province in the last few years? How many dollars would it cost the ministry of education if these students were to be focused into the public system?

Thank you, Minister.

Mr. Nicolaides: Thank you. I'll try to address your question in its entirety. You're correct there. You see that our forecast for year-end '25-26 is \$461 million for the entirety of operating expense items 4.1 and 4.2, which capture independent schools and early

childhood service operators. We're estimating that that line item would move to \$496 million.

The primary reason behind that increase, which is approximately \$35 million, is driven primarily by enrolment growth. We are seeing some significant enrolment growth in our independent school operators and ECS operators and subsequently grant rate increases. We've talked a lot about increases to many of the grants that we provide. Independent school operators and ECS operators are eligible to receive some of those grants. Take, for example, PUF, which we've talked about, which will be receiving a 6 per cent increase. Some of these providers, especially ECS operators, deliver PUF programming and thus are eligible for the PUF grant, which will see that increase.

The primary measure is related to enrolment growth. We are seeing exponential enrolment growth in our independent schools. In fact – and Jeff can correct me if I'm wrong here – for our independent schools specifically we're seeing about an 11 per cent enrolment increase – that's currently what's being projected – versus a 1 per cent increase in our public schools. Enrolment in independent schools is significantly outpacing enrolment in public schools. Money relatively follows the student, so that's why you see that corresponding increase.

In addition to that, we are continuing to see that growth, as I mentioned. In the total, though, in the quantum – I think it's important to maybe just take a quick pause and provide a little bit more information about what percentage. While an 11 per cent increase is substantial, I think it's also important to talk a little bit about: what is the total magnitude of students that independent schools serve? Currently our independent schools serve approximately 7.7 per cent of Alberta's entire student population. The enrolment growth, as I mentioned, 11.4 per cent, is quite high and reflective, I think, of more Albertans just looking to see some more choices.

Mr. Singh: Thank you, Minister, for the answer here.

My next set of questions is on the key objective 5.1, on the agreement. Alberta families deserve a child care system that is affordable today without saddling future generations with the unsustainable cost of forcing the province to observe unfair federal burdens. While some national models have proven rigid and expensive, Alberta has rightly insisted on a made-in-Alberta solution that prioritizes fiscal responsibility, flexibility, and actual results for parents. I see key objective 5.1 on page 50 of the business plan tasks the ministry with negotiating a financially sustainable federal child care agreement that protects Alberta's taxpayers while delivering real affordability. How does this one-year extension strengthen negotiations for an income-tested, flexible agreement? How does pursuing a \$15-a-day model demonstrate responsible fiscal management compared to \$10 a day?

Thank you, Minister.

6:05

Mr. Nicolaides: Yeah. Thank you. As we've noted, a one-year extension gives us a degree of stability as we continue to negotiate for a much longer term and, more importantly, a much more sustainable agreement. The extension allows us to do a few things, however. First and foremost, it does maintain affordability by keeping fees at \$15 a day while negotiations for that longer, more long-term, and more sustainable agreement are under way. The one-year extension also avoids locking us into a long-term, unsustainable model. We have a degree of flexibility at the moment that we intend to capitalize on.

It's also important that we work to pursue a model that provides better oversight of targets and a better environment with respect to providing supports to families who need it the most. That's

something that we'll be undertaking as part of objective 5.1. If we look at a \$10-a-day model versus the current \$15-a-day-model, the current approach helps to ensure, as I mentioned, that we preserve affordability for families and avoid long-term challenges that we'll seek to correct as we negotiate that longer term deal.

As well, the current arrangement will see approximately 80 per cent of child care costs covered by the provincial government and the federal government in co-operation together. That's significant savings for Alberta families. You know, my children are a little bit older now, but I recall when they were in daycare preagreement, and the savings that families are realizing now are tremendous. In fact, we estimate that families are saving approximately \$11,000 per child per year, and again, as someone who had enrolled in child care services preagreement, that seems pretty accurate to me.

We've come a long way. There's certainly more work that needs to be done. We are at an important crossroads, though, as are other provinces, as we seek to get a stronger understanding of what a future child care agreement and child care operation for all Canadians looks like. What we're hearing, again, is that the current model has some severe limitations to it, and aspiring and pushing towards \$10 a day may not be attainable, again, not just for Alberta but for other provinces. Some are already there. Some have been able to achieve that target without much challenge, but Alberta, I know British Columbia, I know Ontario, and several others are expressing some significant concern, so we've been having very active conversations with the federal government to try and find a more sustainable model that will keep fees low for families but be sustainable in the long term. We'll continue to work towards that and continue to make sure that parents have access to that affordable child care.

I recognize that you only have about 10 seconds left, so I'm not sure you're going to be able to get another question in there, but thank you for that question.

The Chair: Okay. Back over to the Official Opposition.

Ms Chapman: Shared time still okay?

Mr. Nicolaidis: Absolutely.

Ms Chapman: Can you just clarify for me? The member opposite asked a question about fiscal prudence, and what I thought I heard you say was \$110 million in savings in infrastructure maintenance spending over three years, but I thought that the number we had come to earlier was that, with cancelling the grant and moving the money into that O and M, it was a \$2 million decrease in infrastructure and maintenance funding. Are we spending \$2 million less on maintenance each year, or are we spending \$110 million less?

Mr. Nicolaidis: Oh, my apologies. I'm right and wrong. It was \$110 million. I think I neglected to say over three years.

Ms Chapman: Over three years. So there's a \$2 million cut to maintenance funding this year, and then over the next two years we can expect to see an additional \$108 million cut from school maintenance? I think we're probably talking about different budget lines here.

Mr. Nicolaidis: We may be. Give me two minutes. I'll have to ask Jeff to provide some more clarity on that.

Ms Chapman: Okay. I'll let him work on that, and I'm going to bounce over to something totally different. The increase to PUF funding was another number that I heard, a 6 per cent increase to

PUF funding, 22 per cent increase to PUF since 2022. Of course, there were big cuts to PUF in 2020, and it's been difficult to pin down the number on that. Of course, when you change the structure of a program, it has a way of kind of obscuring what the cut is, just like if you are counting school projects and you add in new categories, right? Preplanning. Well, then it looks like you have a lot more school projects.

The question is: with this increase to PUF have we recovered from the previous cuts that were made to the PUF program, or are we still working back towards what PUF funding was before the cuts in 2020?

Mr. Nicolaidis: I'd have to look.

Ms Chapman: I saved all my most complicated questions for the end of the day, when we're at our freshest.

Mr. Nicolaidis: I'd have to look a little bit more into that. I don't have the historical numbers that go back to that level to those years.

Ms Chapman: Is it possible to get it in writing when you have more time?

Mr. Nicolaidis: I'll pass it over to Jeff and see if he can dig up the additional numbers. That being said, I do have some numbers. Since 2020 I can confirm that PUF rates have increased substantially. There has been a cumulative 25 per cent increase since '22-23. That is broken down by a 10 per cent increase in '23-24, 2 per cent in '24-25, 5 per cent in '25-26, and 6 per cent moving into '26-27. Those numbers I can tell you with confidence. Happy to look at that in more detail.

Jeff does have an answer for you on the \$110 million, and I'll defer to him to be able to answer that.

Mr. Willan: Sure. What we have here is that the IMR grant, being in its discontinuance, has seen – some of the money was put into O and M. So \$36.5 million was reinvested into the classroom per year. If you times that by over the next three years, that's where we get the \$110 million in savings.

Ms Chapman: So \$36 million moved from O and M to a different ...

Mr. Willan: Yeah. No, from IMR. The IMR funding was 86 and a half million dollars each year, fixed, on a three-year basis. So \$50 million went into the O and M grant as well as a 5 per cent grant rate increase on O and M, and that's why the difference is only 2 and a half million dollars or so in the current year. But ongoing, with IMR being eliminated, that 36 and a half million dollars is being reinvested back in through savings into the classroom. If you multiply 36 and a half million by three, you get \$110 million. As you look at the O and M going forward in the estimates, the grants will then continue to see increases for growth and grant rate over the next three years so that it will then grow commensurately with that over the next two budgets.

Ms Chapman: Okay. Yeah. It just sounds like a bigger cut than I thought, which is concerning, of course. My home riding, the school district, you know, CBE: 56 per cent of their buildings are over 50 years old, and that number is going to hit 70 per cent in the next 10 years. I think there are a lot of concerns that ongoing maintenance funding for schools is quite needed.

My colleague asked earlier, but I just want to run back to this, which is the transportation funding. There is a line, of course, on page 83 in the government estimates for transportation. I thought that I had heard the minister say that there was an increase to the transportation funding, but line 3.4 shows a decrease in funding,

going from \$486 million to \$458 million. I'm wondering if he can clarify that.

6:15

Of course, transportation costs – I know the minister knows – are a significant pressure to school boards. Again, my home district of CBE is actually only able to cover 41 per cent of the cost of delivering student transportation through the grant funding that they receive, and for a number of years they have supplemented that from reserves. They are no longer able to do that, meaning that parents will go from paying \$360 per year per child who needs to be on the yellow school bus to over \$500 per child. We know that the affordability crisis is real in Alberta, so with what I see as a reduction in funding to transportation, I'm just wondering how much more of the cost burden of school transportation the government wants to shift on to parents.

Mr. Nicolaides: Sure. Looking a little more closely, obviously, Budget '25 had a budgeted amount of \$486 million. However, the actual, the forecast for the end of the fiscal year, is \$452 million, so we had budgeted more than the school divisions actually spent in transportation, so the final amount that school divisions are projected to spend on transportation is \$452 million. From \$452 million there is that increase to \$458 million. That is representative of a grant rate increase of 3 per cent and an additional investment of \$10 million specifically for special transportation costs of school divisions.

Ms Chapman: How is it that there are school divisions that only receive enough through the transportation grant to cover 41 per cent of the cost of actually providing transportation but there was still money left on the table?

Mr. Nicolaides: We did have some variances. For example, as you've noted, obviously, we had budgeted \$486 million and then moved to \$452 million. We do have a fuel price contingency program that, of course, is implemented based on fuel prices. There was a \$5 million reduction to align with projected lower fuel prices. In addition, there were also changes to distance eligibility that we had implemented. Of course, we had moved to 1.6 kilometres for elementary. That also resulted in a variance of \$13 million due to the changes in the distance eligibility.

Ms Chapman: So the increase in transportation funding is – does the ministry have a plan to increase transportation funding to cover the actual cost of providing student transportation?

Mr. Nicolaides: As I noted, yeah, we are increasing the transportation item. Again, looking at the forecast of the final actuals that will come in for the '25-26 fiscal year, \$452 million, we are projecting approximately a 1 per cent increase, which is overall. That is comprised of a 3 per cent increase to the transportation grant rate plus an additional \$10 million increase specifically for special transportation. I know many of our school divisions: a significant component of their transportation costs relate specifically to transportation for students with specialized needs, so the additional \$10 million will help augment and cover some of those costs. Then the school division, of course, can reallocate those to other transportation-related needs.

Ms Chapman: But no plan to reduce the amount that parents are paying out of pocket for transportation costs?

Mr. Nicolaides: The government of Alberta . . .

The Chair: Thank you so much.

Over to the government side.

Mr. Lundy: All right. Thank you, Madam Chair. I just, of course, want to confirm with the minister if he's all right to share time.

Mr. Nicolaides: Sure.

Mr. Lundy: How magnanimous. I would have been insulted if he went block here now. Thank you, Minister.

Through the chair, seeing as this is our last substantive block of these estimates, I would actually like to turn my attention to some IGR, intergovernmental-related topics, a little bit selfishly. I used to work in IGR before I was fortunate enough to be elected, including for a very brief time in the education ministry, so I am interested in a couple of these line items and would appreciate the chance to chat with the minister about them. The first one also is very relevant to my riding.

Through the chair, I'd like to ask about access to francophone education, and this is very much in relation to the official languages in education programs, or OLEP. Madam Chair, I'd like to talk about this under outcome 1 of the Education and Childcare business plan, where the ministry commits to ensuring that eligible students have access to francophone programming, as required by the Constitution and provincial legislation.

I already made reference to, of course, that Beaumont is quite a strong francophone community in Alberta. I won't attempt to speak our other official language in Canada. It's just not something that I have in my repertoire, but I am very, very proud to represent that community and to get to go tour some of these schools in Beaumont where the francophone education is very, very important. Again, through the chair to the minister: what investments in Budget 2026 support francophone school capital projects or expansions?

Mr. Nicolaides: Yeah. Thank you for that, and thank you for not gracing us with your knowledge of our other official language. I will do the same and not embark down that path.

Anyway, just to get to your question specifically around school projects and other expansions for francophone school divisions, I do have some of those numbers directly in front of me. I think I mentioned earlier that we are advancing a significant number of francophone school projects. Within Budget '26 there is planning funding for six francophone school capital projects, which are broken down as five new schools and one replacement school.

This is a very strong indication of our commitment to strengthen francophone education in the province. As I mentioned earlier, at my announcement on Monday I was joined by the francophone school division representing Edmonton and region, and they were incredibly happy and proud of the investments that this government is making to support Alberta's francophone community. I think they commented about the historic nature of these types of investments, and I know that that will be of significant benefit to your constituents as well.

In addition, apart from infrastructure, we do also provide programming to support francophone education in a variety of different ways as well. For example, we are providing – we've talked a lot about those specific grants that exist. There are specific grants that exist specifically to support francophone education. There's the francization grant and the francophone equivalency grant. The first grant will increase by 6 per cent in Budget '26, and the latter, the francophone equivalency grant, will increase by 3 per cent.

You mentioned a little bit about OLEP as well and other benefits, but we are also expanding French language early learning child care spaces and access. As of March 2025 we will be supporting 39

francophone early learning child care providers, which is equivalent to about 1,500 spaces. In addition to that, we'll also be supporting 30 bilingual French speaking programs, which is equivalent to about 1,800 spaces, and continuing to work with our francophone partners to expand access to francophone education.

6:25

Mr. Lundy: Thank you, through the chair to the minister. I appreciate that information. Again, I will continue my conversations with the respective school authorities in the schools in Beaumont in my riding, so thanks again to the minister.

I maybe want to close here, then, with – I stand to be corrected, but I think it's a bit of a new program, or a newish program, and that's the national school food program. This, of course, is a partnership agreement with the federal government, and, you know, it seems pretty self-evident how important nutrition is to our children. When I'm visiting with our food banks and other groups and associations in the riding and even in the schools themselves, it becomes pretty clear the kind of impact that something like a school food program can have. This is a jointly funded program that maybe my constituents or even people watching from across the province might appreciate the opportunity to learn a little bit more about, so through the chair, as always, to the minister: could the minister speak to the total investment made under the national school food program, and how many students are expected to benefit from the program in Alberta?

Mr. Nicolaides: Sure. Firstly, before I get into it and talk a little bit about the national school food program, I think it's worth noting that Alberta has been a leader in this regard in many different ways. Alberta has operated for a number of years our own nutrition program, and we have consistently in past budgets provided funding to our school divisions through our own school nutrition program to help school divisions provide meals – breakfast, lunch, and other meals, a variety of different, nutritious meals – to students throughout the course of the day. It has been very, very successful, but you're correct. The federal government announced a couple of years back – I believe it was in 2024 – the development and the creation of the national school food program.

We approached the development of that new program with interest, recognizing that we already had an existing program that served our communities quite well. We were able to successfully negotiate a model that helped to supplement the work already being under way. We did not want to see the development of the national school food program result in the development of some new bureaucratic program, a specific way of delivering meals, and a different approach that was inconsistent with practices already under way.

We were able successfully to negotiate securing additional funding that we can plug into our existing model, which has been quite beneficial. Between the '24-25 fiscal year and the '26-27 fiscal year federal funding will provide just over \$40 million, which includes about \$17 million this school year. That's the total that they're providing. As I mentioned, it builds on our own school nutrition program, which currently serves approximately 58,000 students in participating schools.

Again, there's a lot of flexibility and variance in the program, recognizing that school divisions may have unique partnerships with community organizations in a particular corner of the province or in a particular community, so there's a lot of flexibility for the school boards. The funding flows directly to the school boards, and then they retain that flexibility to partner with a local organization, to develop other types of partnerships to find the most effective and cost-efficient mechanism to deliver meals to students in need. Again, happy to see that program rolling out and benefit for Alberta students.

The Chair: Well, thank you so much, members. To the government, to the minister, to the departments, to the elected members, and to the Official Opposition: thank you so much for your time today. I think we've had a long day today. I'm anxious to pack up and get going, but I'd like to interrupt you and just say that this is the allotted time for the consideration of the ministry's estimates.

A reminder that we are scheduled to meet at 9 a.m. to consider the estimates of the Ministry of Justice.

Thank you, everyone. The meeting is adjourned.

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

