



Legislative Assembly of Alberta

The 28th Legislature  
First Session

Standing Committee  
on  
Alberta's Economic Future

Ministry of Enterprise and Advanced Education  
Consideration of Main Estimates

Wednesday, April 10, 2013  
7 p.m.

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The 28th Legislature  
First Session**

**Standing Committee on Alberta's Economic Future**

Amery, Moe, Calgary-East (PC), Chair  
Fox, Rodney M., Lacombe-Ponoka (W), Deputy Chair  
  
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Rowe, Bruce, Olds-Didsbury-Three Hills (W)  
Sarich, Janice, Edmonton-Decore (PC)  
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\* substitution for Kent Hehr

\*\* substitution for David Eggen

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**Also in Attendance**

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## **Standing Committee on Alberta's Economic Future**

### **Participants**

Ministry of Enterprise and Advanced Education

Hon. Thomas A. Lukaszuk, Minister

Darrell Dancause, Senior Financial Officer

Gordon Johnston, Assistant Deputy Minister, Advanced Learning and Community Partnerships

David Morhart, Deputy Minister



7 p.m.

Wednesday, April 10, 2013

[Mr. Amery in the chair]

**Ministry of Enterprise and Advanced Education  
Consideration of Main Estimates**

**The Chair:** Good evening, ladies and gentlemen. I would like to call this meeting to order. Also, I would like to welcome everyone in attendance here tonight. The committee has under consideration the estimates of the Ministry of Enterprise and Advanced Education for the fiscal year ending March 31, 2014.

Just a friendly reminder that the microphones are operated by *Hansard*. I'd like to ask members not to operate their own consoles as it causes technical issues. Also, please do not leave your BlackBerrys, cellular phones, iPhones on the desk in front of you.

At this time I would ask that we go around the table and introduce ourselves, and if you are substituting for someone, please indicate so. I'll start with myself. I'm Moe Amery, MLA, Calgary-East, and chair of this committee.

**Mr. Fox:** Rod Fox, MLA, Lacombe-Ponoka, vice-chair of this committee.

**Mr. Quadri:** Sohail Quadri, Edmonton-Mill Woods.

**Mr. Rogers:** George Rogers, Leduc-Beaumont.

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

**Mr. Luan:** Jason Luan, Calgary-Hawkwood.

**Mr. Dorward:** David Dorward, Edmonton-Gold Bar.

**Ms Olesen:** Cathy Olesen, Sherwood Park.

**Ms Pastoor:** Bridget Pastoor, Lethbridge-East.

**Mr. Anglin:** Joe Anglin, Rimbey-Rocky Mountain House-Sundre.

**Mr. Hehr:** Kent Hehr, MLA, Calgary-Buffalo.

**Mr. Johnston:** Gord Johnston, Enterprise and Advanced Education.

**Mr. Morhart:** David Morhart, Enterprise and Advanced Education.

**Mr. Lukaszuk:** Thomas Lukaszuk, minister.

**Mr. Dancause:** Darrell Dancause, Enterprise and Advanced Education.

**Mr. Strankman:** Rick Strankman, Drumheller-Stettler.

**Mr. Donovan:** Ian Donovan, Little Bow.

**Mr. Bikman:** Gary Bikman, Cardston-Taber-Warner.

**Mr. Rowe:** Bruce Rowe, Olds-Didsbury-Three Hills.

**Mr. McAllister:** Bruce McAllister, Chestermere-Rocky View and critic for advanced ed, and I'm actually substituting on the committee, Mr. Chair, for Mr. Donovan.

**Mrs. Sarich:** Good evening. Janice Sarich, MLA for Edmonton-Decore.

**Mr. Xiao:** David Xiao for Edmonton-McClung.

**Mr. Cao:** Wayne Cao, Calgary-Fort.

**Mrs. Sawchuk:** Karen Sawchuk, committee clerk.

**The Chair:** Thank you, all, and thank you for being here. Before we go any further, at 8:30 tonight we will take a five-minute break.

Now I'd like to review the process. Hon. members, as you know, the Assembly approved amendments to the standing orders that impact consideration of the main estimates. Before we proceed with consideration of the main estimates for the Ministry of Enterprise and Advanced Education, I would like to review briefly the standing orders governing the speaking rotation.

As provided for in Standing Order 59.01(6), the rotation is as follows. The minister or the member of the Executive Council acting on the minister's behalf may make opening comments not to exceed 10 minutes. For the next 60 minutes members of the Official Opposition and the minister or the member of the Executive Council acting on the minister's behalf may speak. For the next 20 minutes the members of the third party, if any, and the minister or the member of the Executive Council acting on the minister's behalf may speak. For the next 20 minutes the member of the fourth party, if any, and the minister or the member of the Executive Council acting on the minister's behalf may speak. For the next 20 minutes private members of the government caucus and the minister or the member of the Executive Council acting on the minister's behalf may speak. After that any member may speak.

Members may speak more than once; however, speaking times are limited to 10 minutes at any one time. A minister and a member may combine their time for a total of 20 minutes. Members are asked to advise the chair at the beginning of their speech if they plan to combine their time with the minister's time.

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

Three hours have been scheduled to consider the estimates of the Ministry of Enterprise and Advanced Education.

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

As noted in the Speaker's memorandum of March 22, I would like to remind all members that during main estimates considerations members have seating priority at all times. Should members arrive at a meeting and there are no seats available at the table, any staff seated at the table must relinquish their seat to the member.

If debate is exhausted prior to the three hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn; otherwise, we will adjourn at 10 p.m.

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

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

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

In case we have amendments, an amendment to the estimates cannot seek to increase the amount of the estimates being considered, change the destination of a grant, or change the destination or purpose of a subsidy. An amendment may be proposed to reduce an estimate, but the amendment cannot propose to reduce the estimate by its full amount.

Vote on amendments is deferred until Committee of Supply on April 22, 2013.

Written amendments must be reviewed by Parliamentary Counsel prior to the meeting at which they are to be moved. Also, we must have 25 copies of amendments to be provided at the meeting for committee members and staff.

Now I would like to invite the Minister of Enterprise and Advanced Education to begin his remarks. Minister.

**Mr. Lukaszuk:** Well, thank you, Mr. Chairman, hon. Mr. Amery, for this opportunity to appear before you and before your committee. I'm looking forward to a discussion. I imagine that there will be a format of moving back and forth between members, but I'll leave that to your and to the members' discretion.

As previously introduced, I am proud to be accompanied today by my deputy minister, Mr. David Morhart, sitting to my left; also, Darrell Dancause, senior financial officer; Gord Johnston, assistant deputy minister of advanced learning and community partnerships division. Also, Mr. Chairman, and committee members, with us today in the room are other staff from the ministry; namely, Ms Darlene Bouwsema, assistant deputy minister in charge of apprenticeship and student aid division; Mrs. Maryann Everett, assistant deputy minister for workforce strategies division; Justin Riemer, assistant deputy minister for economic competitiveness division; and Mr. Mel Wong, assistant deputy minister for innovation and advanced technologies division.

Mr. Chairman, as you know, our ministry is one of our government's major drivers; that is, economic drivers and knowledge drivers. We are focusing on our effort to find new ways to spur more economic growth, development and diversify our provincial economy as we are also leading in pursuit of academia and education. We are pursuing an aggressive research and innovation agenda to help entrepreneurs bring their ideas and products to markets. Our goal is to put Alberta in a stronger position to meet the needs of Albertans and to be more competitive on the world stage not only today but into the future.

Our mission is to build a resilient economy and a thriving society by engaging Albertans in learning, in innovation, and also in entrepreneurship. Mr. Chairman, a number of our priority initiatives support Premier Redford's focused agenda to, one, secure Alberta's economic future through education and entrepreneurship and, two, advance world-leading resources stewardship through innovative resource management and increased market access.

**7:10**

Specifically, this ministry will implement strategies to engage underrepresented learners and enhance pathways to ease learners' movements into and through the entire system of 26 educational institutions within Campus Alberta; develop a new Alberta immigration approach, including a targeted marketing strategy to meet Alberta's labour challenges – as we know, those have been ongoing for some time – and to make sure that not only our economy but also immigrants who arrive in this province experience success; develop new research and commercialization of this research, partnerships to enhance technology adoption,

commercialization, and access to capital; develop and implement a strategy to grow Alberta's business and better deliver services to entrepreneurs; collaborate with partners to create innovative solutions in resource development, environmental sustainability, and economic prosperity; provide – and let me underscore this – strategic leadership in advanced learning, workforce development, innovation, and economic development.

We will also work with stakeholders to refresh the Campus Alberta vision and outcomes, renew Alberta's labour strategy, set a clear direction and common outcomes for Alberta's economic development initiatives, and develop and execute downstream energy and supply chain development strategies.

To engage individuals, industry, and community in building a prosperous and innovative Alberta, we will work with our stakeholders to develop strategies to address essential skill gaps; develop strategies to increase participation of groups under-represented in the workforce and education; develop an aboriginal workforce strategy; accelerate development and implementation of platform technology in knowledge-intensive industries; provide economic development tools, information, and advice to foster strong and collaborative regional economies.

Mr. Chairman, Budget 2013-14 also includes postsecondary education as a strong key priority for our government. Budget 2013 includes nearly \$2.7 billion – that's with a "b" – in operating support for our ministry, a decrease of a hundred million, or 3.6 per cent, from the 2012-2013 forecast, and \$68 million in capital support. Alberta's publicly funded postsecondary institutions will receive \$2 billion in base operating grants in 2013-2014. They still receive one of the highest rates of per capita funding in Canada despite a decrease of \$147 million, or, if you wish, 6.8 per cent, from the 2012-2013 budget.

Operating grants to Alberta's publicly funded postsecondary institutions have increased by 45.9 per cent over the past 10 years. That is the 2003-04 budget to 2012-13 budget, or, if you wish, 4.6 per cent per year on average over the last 10 years. Postsecondary institutions have provided incredible returns on that investment – and let me underscore that investment – from economic benefits to innovative discovery to significant contributions to arts, culture, and other aspects of academia. By doing so, they have been enhancing the quality of life for all Albertans.

Such funding increases just aren't sustainable. This year our postsecondary institutions will see a decrease in base operating grants. We will work with them to assess each institution's financial situation and determine a sustainable funding solution. Campus Alberta partners will be expected to become more efficient and effective through greater co-operation and less duplication in specialized academic programs for students. Institutions will be given mandate letters defining their roles and government's expectations for a more unified postsecondary education system. Some opportunities for more unification include enhanced learner pathways for greater transferability between institutions, less duplication in specialized academic programs for students, greater co-operation and sharing of administrative functions among postsecondary institutions.

Funding for the Alberta centennial education savings plan grant will be reduced in 2013-14 as the program is being phased out. We had hoped the grant would encourage low-income families to save for their children's future education; however, experience has shown that this targeted group has not benefited from this program, and Albertans who perhaps did not require that assistance did. So we will look at a program that is more effective into the future. This responsible move will save taxpayers and this government \$11 million this year and \$22 million per year

thereafter. We will be looking at better ways to support low-income Albertans in attending postsecondary schools.

Over \$41 million is budgeted for 2013-2014 to support the development, maintenance, and delivery of designated trade and occupational programs. Budget 2013 reflects our ongoing commitment to making postsecondary education accessible and affordable both for students and taxpayers.

Effective August 1, 2013, a new grant will be available for low-income students who begin an undergraduate certificate program. Currently one-year certificate program students are not eligible for the Canada federal student grant for low-income students. Implementing this provincial grant will ensure equitable access to grant funding regardless of program credentials.

**The Chair:** Minister, you have one minute left.

**Mr. Lukaszuk:** Mr. Chairman, I'm sure I will have an opportunity to walk the committee members through the rest of the overview of the budget, but by all means.

In 2013-14 student aid funding includes \$71 million in scholarships, \$59 million in bursaries and grants, a \$42 million provision for student debt management programs, \$11 million for Alberta centennial education savings plan grants. Alberta will continue to provide more money in delivering scholarships to students than all of the other provinces combined – Mr. Chair, more money than all other provinces combined – with 38,000 students sharing in over \$71 million. We expect to distribute \$425 million in Alberta student loans to more than 58,000 students to help pay for their education.

**The Chair:** Thank you, Mr. Minister. Thank you.

It's my understanding that speaking on behalf of the Official Opposition is Mr. McAllister, for the next 40 minutes, and Mr. Bikman will pick up the 20 minutes.

**Mr. McAllister:** Right. Mr. Chair, thank you.

**The Chair:** Are you going to go back and forth?

**Mr. McAllister:** I would like to go back and forth if it pleases the minister. If I could have maybe 20-minute cues twice, that would be terrific.

**The Chair:** Yes.

**Mr. McAllister:** We'll proceed. First of all, I guess I should say how honoured I am to be here as the lead critic for advanced education. It is one of the most if not the most important area, I think, in the province. I'm also lucky to be Education critic, too, and I take both very seriously. Having spoken to so many people in the advanced education sector in the last month or two, I don't think there's anything more top of mind in the province.

Minister, I have many questions for you. I would like to go back and forth, as we discussed, and try and get to the answers to some of them, as many as we can. Most of the questions, I think, are on behalf of stakeholders. You should know that some of them are here in the room tonight. A shout-out to all the students that are here. It's nice to see them invested in advanced ed and in their futures.

Minister, you promised that 2 per cent in operating grants on the campaign trail and talked about how you were going to invest in higher learning. You know, several times we saw the Premier at postsecondary institutions making those promises, saying: we're going to invest. I think that despite what you said, after the election many postsecondary institutions knew that wasn't

coming. A lot of people at those 26 institutions saw the writing on the wall. Maybe they weren't expecting the 2 per cent increase that you had promised, but it is fair to say that nobody was expecting the size of cut that your government delivered.

To reduce the operating support by, you know, anywhere between 5 and 7 per cent depending on which institution we're talking about: nobody saw that coming. It's substantive. It makes the postsecondary sector the biggest percentage cut, I think – well, I know it does – of any of the departments. It is going to hit the classroom. It's going to affect the quality of education that students receive. So I just want to know, Minister: what was so wrong with the advanced education sector that we needed to slash it so heavily?

7:20

**Mr. Lukaszuk:** Okay. Well, thank you for that question. I really appreciate it, although I have to tell you that this is the last type of question that I would expect from you. I thought maybe some other members of the opposition parties would deliver a question of this nature.

**Mr. McAllister:** Why is that, Minister?

**Mr. Lukaszuk:** Well, I'll tell you why. As you are aware and all Albertans are aware, the commitment of this government to postsecondary education is unequivocal, 49 per cent of the budgetary increase year to year over the last 10 years. As you also are aware, this province is facing unexpected turnaround in revenue, to which we have decided to respond in a measured and responsible way; first of all, protecting vulnerable Albertans and making sure that those who rely on day-to-day subsistence from government services would be least impacted, and then absorbing some of the budget cuts in other areas, which unfortunately included – and let me stress unfortunately – postsecondary education.

However, Mr. McAllister, you and your party have been asking this government to actually balance the budget fully and cut really very much deeper.

**Mr. McAllister:** Mr. Lukaszuk, with due respect, you haven't addressed the question one bit. My party has called for fiscal responsibility and will continue to in other areas. But I asked you about advanced education specifically, and we might as well just get it on the table right now. We could talk about Wildrose tonight, but it wouldn't be a service to the stakeholders here.

It is your government that's running the advanced ed sector file, so you should be addressing the questions based on what your ministry has planned. Why did you need to cut advanced ed by 9 per cent?

**Mr. Lukaszuk:** In order to achieve our goal, which is a moderate goal of which you are being critical, this is the result that you get, a 7 per cent cut. If we were to achieve your goal, what you call a fully balanced budget, you would be looking probably at somewhere around a 10 to 11 per cent budgetary cut.

**Mr. McAllister:** Well, I don't believe that's the case, and we're back, you know, to speculating what my party might do. I think we need to address what you've done. That is all.

**Mr. Lukaszuk:** You have your answer.

**Mr. McAllister:** All right. I'm not sure that there was an answer, to be fair.

Minister, if I could just raise a point. It's your government that has set this funding year to year. You're the ones writing the cheques. Now you turn around and point your fingers at the very

people that are trying to run these sectors for our students of higher learning, and you say: "Look what you're doing. You're draining the province's finances." Don't you see that it's disingenuous? They're looking at you, suggesting: "Wait a second. You know, until now we thought we were doing the right thing."

**Mr. Lukaszuk:** What is disingenuous is indicating that one would fully balance the operating and infrastructure budget and at the same time questioning every minister in a row: why did you cut in your ministry? At the end of the day, and I'm sure we will agree on this fact, this was a moderate – a moderate – response to the actual financial situation in which this province has found itself in this fiscal year. Following ongoing budgetary increases for over 10 years, this is a measured response. And let me be frank with you.

**Mr. McAllister:** Sure.

**Mr. Lukaszuk:** It is a difficult budget for postsecondary institutions. There is no doubt about it. Nobody likes to see a 7 per cent budget cut; however, this is the reality, the fiscal reality, of the budget. We will be working with postsecondary institutions to make sure that the impact is minimized for students and that we find efficiencies within administrations not only of individual schools but also within Campus Alberta.

**Mr. McAllister:** I'm happy to see, Minister, that you have a big contingent with you here tonight, and I do appreciate all your time. I know you'll help us find answers that we might not be able to find in these books.

Minister, can you or your officials show me in these estimates, because I couldn't find it, where you trimmed your ministry itself or your office?

**Mr. Lukaszuk:** Most certainly. As not only I indicated but our government has indicated, we will be trimming Alberta's public sector in management by 10 per cent.

**Mr. McAllister:** You're asking universities to do that. But, I mean, your department or your office specifically: have you trimmed it?

**Mr. Lukaszuk:** By all means. What you'll see is that for ministry support services you have decreases in the support for adult learning of \$138 million, you have a decrease in innovation and technology commercialization of \$8 million, you have an economic competitiveness decrease of \$1 million, you have the workforce strategies decrease of \$6.6 million, you have Alberta centennial education savings plan staffing decrease of \$7 million, and an Alberta Enterprise Corporation decrease of \$1.1 million.

**Mr. McAllister:** Sure. I'm looking at your operational expenses. To draw everyone's attention if you'd like to follow it, it's page 78, line items 1 through 1.6. You know, those are your ministry support services, your minister's office. In your minister's office your spending went up, sir. Now, is it difficult to look at the leaders of the postsecondary institutions and ask them to make cuts when your spending has gone up?

**Mr. Lukaszuk:** What you're comparing over here is a combination, also, of two offices in this budget, which did not exist in the last, and that is the budget for the Minister of Enterprise and Advanced Education and also the budget of the Deputy Premier.

**Mr. McAllister:** Well, Minister, I just know that, you know, if you ask somebody to do something and show financial

responsibility, it is wise to take the lead on it. That's what the institutions are suggesting you should have done.

Let's move along. Your letters of expectations, or your mandate letters as many refer to them, ask for, as you've pointed out, a reduction in program duplication. They call for a 10 per cent improvement in learner pathways, or student transfers. What evidence do you have that shows that Alberta's postsecondaries are missing the mark in this area?

**Mr. Lukaszuk:** Well, I'll tell you what evidence I have. If you do a simple Google search of Campus Alberta and mandate letters, you will find, actually, that our postsecondary institutions have been working with administrations for the last 11 years on developing the parameters of Campus Alberta and also on the mandates for individual schools, which were to be written into mandate letters. This execution of Campus Alberta and mandate letters is simply delivery on what has been worked on by all 26 schools with ministers of advanced education in the last 10 years.

**Mr. McAllister:** Sure. But what I'm asking you is: where are the areas, the evidence, that there is duplication?

**Mr. Lukaszuk:** The areas of duplication are numerous. At this point in time we have an excellent advanced education system from an academic perspective. However, it can be said that we have 26 independent advanced education systems. Although to date there are examples of fabulous collaboration, unfortunately, those are the exceptions and not the rules. We find there is significant duplication on the administrative side. Three hours wouldn't be enough for us to just walk through examples of duplication. As a matter of fact, kudos have to be given to leaders of postsecondary education who are identifying areas. You will see probably by tomorrow what they're bringing forward by way of examples. Payroll is a good example.

**Mr. McAllister:** Yeah. But, Minister, I was asking about courses specifically. Can you tell me where there are areas of duplication? Let me just jump on it. You mentioned to do a Google search. Well, I very much did take this seriously tonight, and I wanted to find all the data that I could to see why you had made the cuts you had and placed the postsecondary institutions where you did. So I've got some information for you that shows that Alberta is actually leading the way when it comes to students transferring from similar programs, you know, with the best numbers in the country. This is from Higher Education Strategy Associates. So if we have the best numbers in the country, what was so wrong with the way postsecondary institutions were doing it?

**Mr. Lukaszuk:** You asked for examples. I'll give you a few. Online education is being independently delivered and developed by each school in this province with very little or no collaboration whatsoever. Another example is the absence of a curriculum depository. Schools often develop identical curriculum but are starting from scratch all over again and not allowing other schools to access that research and to perhaps adopt that curriculum or adopt and modify that curriculum. None of that is happening at this point in time. Those are prime examples.

7:30

**Mr. McAllister:** Do you know what? The first one was a very good one. To the gentleman beside you: thanks for digging it up.

I think in general the point was made. But, Minister, just to react to this, again, the Higher Education Strategy Associates are suggesting that Alberta is leading the way, with a graph that backs it up. The best numbers in the country, Minister.

**Mr. Lukaszuk:** Leading the way, but we're not comparing ourselves to a country where postsecondary institutions have a history of collaboration and sharing. So yes, we may be leading the country in a few areas, but I can tell you that there is plenty of room for improvement. Let's not forget one thing. We're discussing the budget of the province right now, but 25 per cent of the cost of delivering advanced education also is passed on to our students through tuition. I think we have a fiduciary duty not only as government but as opposition to identify areas of duplication to make sure that not only do we lower the cost to the taxpayer but to students through not having to continuously increase their tuition.

**Mr. McAllister:** Sure. We're going to get to some of the financial implications on students here momentarily.

Again, I just want to point out that a lot of people in the postsecondary sector have gotten it right. They're doing a good job.

**Mr. Lukaszuk:** They are doing a fabulous job.

**Mr. McAllister:** Let's talk about Campus Alberta. Maybe this is the million-dollar question, or maybe it's the \$21 million question. Funding has gone from \$12 million to \$33 million, which is a 171 per cent increase. That's an extra \$21 million. How, specifically, is that going to be spent? What is the \$21 million going to be spent on?

**Mr. Lukaszuk:** On Campus Alberta specifically?

**Mr. McAllister:** Yeah. A \$21 million increase. Where's the money going?

**Mr. Lukaszuk:** Well, what will happen is, as you know – as a matter of fact, I'm looking forward to meeting with the presidents tomorrow, and that will be a major subject of discussion. But let me break this down for you: \$10.2 million will be for disability-related employment supports; \$9 million for funding new professors in priority research areas; \$4.5 million for the radiation therapy program at the U of A; \$4.3 million for strategic initiatives, for example books, international efforts, et cetera; and \$5.7 million to address enrolment growth.

**Mr. McAllister:** How many people are we hiring?

**Mr. Lukaszuk:** You will be seeing academic staff increase. Campus Alberta is not an entity. It's not a building. It's not an institution. It is a model of collaboration between existing schools and sharing of programs and allowing for portability of students and courses within the existing 26 unique schools.

**Mr. McAllister:** You've also told them in those letters of expectation – and, again, you know, this was raised to me by some of the individuals running our postsecondary institutions or in the sector – to use Campus Alberta letterhead on everything they send out, on all institutional correspondence.

**Mr. Lukaszuk:** What we will be looking at is, as a matter of fact, again, a reflection of what has been proposed to the government of Alberta by all members of Campus Alberta, which is to develop branding and to develop branding particularly not for internal use and domestic use but for international use. As you know, currently each and every single school of ours travels abroad to promote the school not only to attract academia but also to attract students, and that's a good thing. They should do that.

However, they only do it for themselves individually. When they find situations where perhaps they could attract or promote

any sister organization within the family of 26, that, again, simply doesn't happen. Having common branding in addition to their well-developed brands will promote all the other schools and particularly smaller, rural schools that often don't have the capacity to promote themselves on a wider stage, as some of the larger institutions would.

**Mr. McAllister:** Minister, thank you.

How are we doing for time, Mr. Chair?

**The Chair:** You have three minutes left in the first 20 minutes.

**Mr. McAllister:** Three minutes left in the first 20-minute segment. Thank you.

You're asking postsecondary institutions – I know that you know this – to do more with less, and basically they're saying that you're asking them to do less with less. Now, I know tuition hikes are capped, and we believe that to be a good thing, so we needn't get into that. But a lot of students are fearful that noninstructional fees are going to go up. In other words, students are going to pay more. Some of those students are here tonight. Almost every organization I've met with from a student perspective is concerned about it. Frankly, Minister, you yourself know that when the money runs out somewhere, people need to try and find it somewhere else, so we very likely could see that. Are you concerned with that for students, and will you be able to do anything to ensure that those noninstructional fees don't rise?

**Mr. Lukaszuk:** Well, you know, even though I'm here to answer questions, not you, I would be interested to find out: how can you be supportive of decreasing students' costs and not taxpayers' costs? But I share with you on this.

**Mr. McAllister:** Well, they're taxpayers too, Minister, right?

**Mr. Lukaszuk:** That's right. Many are, and they're paying twice. I don't think they should be paying twice on either side of the ledger.

I also believe, Mr. McAllister, that we should not be increasing the cost of delivering education to both students through tuition and taxpayers through provincial funding until we can look them both squarely in the eyes and say: we are delivering this world-class education as efficiently as we possibly can.

I can tell you this. At this point in time I cannot look students and taxpayers squarely in the eyes and say that we are as efficient as we can be because over the last couple of months, just meeting with chairs and presidents of postsecondary institutions, I am already satisfied that there are many operational areas, not academic but operational areas, where significant efficiencies can be found. We will not be increasing tuition until we find those efficiencies.

**Mr. McAllister:** I know that, but noninstructional fees could go up.

**Mr. Lukaszuk:** Yes. Noninstructional fees. As you know, there are two areas where the minister has any control over the cost to students. One is the tuition, and the second one is inflationary cost increases. The noninstructional fees are not mandated nor legislated by the province, so neither you nor I have any influence over it, but my message has been clear and will continue to be clear: before you decide to increase costs to students in any way possible, look at your own books first and find administrative efficiencies.

**Mr. McAllister:** Yeah. But if they choose to, Minister, there's really nothing that you intend to do. Is that what I'm hearing?

**Mr. Lukaszuk:** If they choose to do that, there is nothing you and I could legally do other than through moral suasion on boards and presidents and administrators.

**Mr. McAllister:** Well, let me tell you what the chairman of CAUS said, the Council of Alberta University Students, Raphael Jacob, a bright young man, University of Calgary. The cuts “will mean larger class sizes, more restricted class selection, and the prospects of downloading costs onto students that will price [advanced education] out of the reach of many.” Don’t we have a duty, Minister, to make sure that doesn’t happen?

**Mr. Lukaszuk:** Or what it could mean is diminished administration brought down to what we believe the appropriate percentage cost for administration should be. It can also mean collaboration in the backbone office administrative support, and it can mean sharing of both learning and academic resources.

**The Chair:** You’re on the next 20 minutes, Mr. McAllister.

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

**Mr. Lukaszuk:** So it should.

**Mr. McAllister:** What I’m telling you that the chair of CAUS has said that they’re very concerned about all of the things that I just mentioned, and they do represent 70,000 students.

**Mr. Lukaszuk:** I appreciate that because, as you know, at the end of the day we are dealing here with numbers and percentages, but at the end of this there are human beings, both students and staff and academic staff, and it’s a natural reaction. But our role and particularly my role is to do whatever we possibly can to minimize the impact on students and make sure that this budgetary cut is absorbed by administrative efficiencies both within each school and between all schools as Campus Alberta.

**Mr. McAllister:** We’re going to have to move along, unfortunately, with so little time.

Minister, you are aware that we have the lowest postsecondary participation rates in the country. It’s very troubling. This is Alberta. We lead the way in so many areas in the province. You’re calling for reducing duplication, which is going to reduce choice. How will you bring the number of postsecondary students up when they have fewer spots to go to?

**Mr. Lukaszuk:** Your assumption that reducing duplication will reduce choice is erroneous. As a matter of fact, you can increase participation by reducing duplication, by making sure that all the resources that students spend through tuition and taxpayers spend through funding are focused on the student in the classroom and not on administrative burden. Through collaboration you actually could have some of the larger institutions that have the capacity to start delivering their programs in smaller, rural centres and to increase participation. There is no causal relationship. There doesn’t have to be a causal relationship if you focus on targeting administration and collaboration versus impacting courses directly. That’s the easy way out.

7:40

**Mr. McAllister:** I’m going to tell you that I think that, really, probably in your heart you even disagree with that. I think you must because there’s no way that you can offer fewer spaces to students and increase the number of postsecondary students

attending the sector in the province of Alberta. There’s no way you can do that.

**Mr. Lukaszuk:** By saying that, you’re telling me that you’re satisfied that all 26 schools from an administrative perspective are as lean as they possibly can be, and then as a group of 26 . . .

**Mr. McAllister:** Minister, I’m not telling you that. I’m asking you a question.

**Mr. Lukaszuk:** I answered your question.

**Mr. McAllister:** I don’t believe you have answered the question. You’ve answered the question with a question, and what I’ve said is that most of the students and presidents that I talked to worry that we’re going to have an even lower postsecondary enrolment rate. Doesn’t that concern you?

**Mr. Lukaszuk:** I agree with you that they worry, but what I’m telling you is that their worry should be alleviated by the fact that doing that would be the easy way out. The more difficult thing to do, that presidents and chairs and I will have to do – and I acknowledge it will be difficult – will be to absorb this particular budgetary impact through finding efficiencies within each school and then as a cohort of 26 schools together.

**Mr. McAllister:** Well, I will agree with you slightly on one point, and that is that I believe you can always find efficiencies. You can always improve. But I think that the point from stakeholders, Mr. Lukaszuk, is pretty good. I mean, they’re very, very concerned that we’re not going to have as many Alberta students in postsecondary.

**Mr. Lukaszuk:** I agree with you, and we shouldn’t diminish that. That concern is there, but what I’m sharing with you is that it is now our job to make sure that this concern doesn’t come to fruition and that we do the right thing.

**Mr. McAllister:** There are so many line items in this budget, in these estimates. I know you’ve been through this a few times. You’ll have to give me some leeway. This is the second time. I went through it with Minister Johnson. There really are. I mean, there’s just a lot to go through, and I appreciate you’ve got seven people in here with you tonight.

For the life of me I can’t find that rural, aboriginal, and remote communities postsecondary bursary program. Can you tell me where that is?

**Mr. Lukaszuk:** Just wait. I’ll tell you right away. Are you looking at the \$600,000 funding for the northern Alberta development bursary?

**Mr. McAllister:** No, no. There was a specific budget to be created, aboriginal and remote communities postsecondary bursary program.

**Mr. Lukaszuk:** No. This line item is not introduced in this budget.

**Mr. McAllister:** Well, Minister, this is deeply troubling because I want to point everybody to your business plan and your accountability statement. Goal 1, 1.1, your first priority initiative, reads: “Implement strategies to engage learners underrepresented in the advanced learning system, including rural and Aboriginal Albertans.” That’s your first goal. That’s your first and most important thing that you’re going to do. During the election

campaign one of the Premier's promises: developing targeted bursaries for students from rural and remote communities. So you just reneged on that promise, I guess?

**Mr. Lukaszuk:** No. What we have done is respond to a dire financial situation. However, this remains a priority. Let me remind you of what we are paying out in bursaries. As I said earlier, Alberta pays out more than the entire country combined in bursaries. Also, we have increased the budget for low-income families to access postsecondary education. I have to share with you that, indeed, this continues to be a priority and will be a priority. But if you ask me to implement a new program in addition to this budget, well, as you know very well, the money has to come from somewhere, and I haven't found an area yet that you supported that should be cut.

**Mr. McAllister:** Hmm. Well, I know one thing, Minister, and, you know, we have to call a spade a spade. You made the promise on the election campaign. You listed it as your priority initiative, and then you reneged on the promise. You costed it out even on the election campaign, \$76 million over four years, beginning with \$18 million for this year, and you identified it as an area that was a number one priority of yours. You promised educators that you were going to deliver it. I think that probably many vote for you on these things when you tell them that you're going to do something. Then when you don't, you can understand their frustration. This number is going to go down again.

**Mr. Lukaszuk:** But when they voted this government in, they voted this government for a four-year term. I have to remind you that we're in year 1 of a four-year term.

**Mr. McAllister:** But you promised it this year.

**Mr. Lukaszuk:** No. What I promised is that this will be a priority, and it remains a priority.

**Mr. McAllister:** Well, you did tonight, but it was promised in this budget year during the election campaign, Minister.

**Mr. Lukaszuk:** What I'm hearing you say is that we should deliver on additional funding. I imagine you will be telling me right away where that money should come out of.

**Mr. McAllister:** Yeah. Sure I could. I would cut back on, say, \$500,000 grants to Pepsi. I'd cut back on, say, millions of dollars of grants to Shell Canada. I might not build office buildings that cost half a million dollars. There are lots of ways we could trim back, but again we're getting into what we would do, Minister. Tonight this is about what you would do. This is about you being the minister of advanced education, and it's about me calling you out for promising something before the election and not delivering on it. It's not in the budget.

**Mr. Lukaszuk:** All these examples you have given me, I have to remind you, you spent yesterday in health care, also increasing their budget.

**Mr. McAllister:** Minister, that's the point I'm trying to make. I know you drive it back to me and say: well, what would Wildrose do? But I ask you, if you go to these universities and colleges and you make these promises before the election campaign and you do photo ops and everything else and then you don't deliver on them, do you understand why they look at you and say: "Wait a second. You said that this was a priority. Why aren't you honouring your word?"

**Mr. Lukaszuk:** And I'm telling you clearly. We are in year 1 of a four-year term, and our priorities will be delivered on. But what I'm also trying to illuminate to you is the fact that we are in a financial situation where very difficult decisions have to be made. There is no denying that those decisions will be difficult for post-secondary institutions. But this is reality, and that is one thing that I don't have control over as a minister.

**Mr. McAllister:** Are you guaranteeing us tonight, then, that you will go ahead and implement that grant you promised this term?

**Mr. Lukaszuk:** I'm telling you that when the provincial financial situation improves, education will be one of the main priorities of this government, and we will continue investing in it.

**Mr. McAllister:** And so it should be.

You know what the beautiful thing about this estimate debate is? It's not question period, so we get to go back and forth.

**Mr. Lukaszuk:** Let's go for it.

**Mr. McAllister:** So I'm asking you again: will you promise, because you pretty much just said that you would, that you will implement this bursary and grant that you promised during the election campaign in this term?

**Mr. Lukaszuk:** Well, I can already tell you that our bursaries have gone up by \$25 million in this particular budget, and that's why we are well positioned against the rest of the country just as a single province. I will tell you that we will be continually investing in priority spending, depending on the financial situation. You were not in a position to predict where we would be today, nor, frankly, was any expert. At the same time, this is our priority, and the moment we have the financial possibility without affecting other programs, to which you would be objecting negatively, we will deliver on our priorities as we have outlined them during the campaign.

**Mr. McAllister:** You just told me a minute ago, you know, that it's a four-year term, that everything can't be done right after the election. So you sort of led me to believe that you're definitely going to do it this term, but you're not committing to doing it this term.

**Mr. Lukaszuk:** That's correct.

**Mr. McAllister:** Thank you.

**Mr. Lukaszuk:** This term? No. This budget.

**Mr. McAllister:** Oh. Okay. So are you committed to doing it this term?

**Mr. Lukaszuk:** Sir, the budget is before you, and I clearly indicated to you that it's not in this budget. So, no, it will not be implemented in this budget that lies before you as it clearly isn't included in this budget. What I'm committing to you is that we will deliver on our promise this term, and we're only in year 1 of a four-year term.

**Mr. McAllister:** Okay. That's great news. I still think you broke a promise, but you're saying that you will commit to these specific, targeted bursaries for students from rural or remote communities this term.

**Mr. Lukaszuk:** How can one possibly break a promise by not even delivering it yet? I have three years to disappoint you and break a promise, and I'm telling you that I won't.

**Mr. McAllister:** Yeah. Okay. Let's go to line 8.1 on page 79.

**Mr. Lukaszuk:** I'm sorry. Which one is that?

**Mr. McAllister:** Page 79, line item 8.1. You went from spending \$150 million in 2011-2012 to \$15 million. It's capital spending. Before the election in April a year ago the Premier promised 85 and a half million dollars to Mount Royal University for the library and learning centre over three years. Instead, they got \$30 million, I think.

Another one of those promises was to the U of C school of engineering. A promise of \$142 million is \$40 million. That's a difference of more than \$100 million. Again, promises made, and promises broken. These postsecondary institutions planned on it, Minister, and now they don't have the funding.

7:50

**Mr. Lukaszuk:** I appreciate the fact that this is your first year of doing estimates.

**Mr. McAllister:** Thank you. I'm trying my very best.

**Mr. Lukaszuk:** And you're doing a good job. But you have to understand that the capital plan is not: year 1, within the first six months postelection deliver and build everything. It's at least sometimes a three-year and sometimes a five-year plan. The commitment has been made, and in this budget what you're seeing is year 1 of a rollout of a capital plan. Next year we will be talking about a rollout of additional infrastructure projects. But what you're seeing right now is the beginning of a commitment to deliver on a promise, and you're seeing the construction that will happen in this province out of this year's particular budget.

**Mr. McAllister:** Mr. Chair, how are we doing for time?

**The Chair:** Six minutes.

**Mr. McAllister:** Six minutes. Time flies when you're having fun, doesn't it, Mr. Chair? [interjection] Yeah, I recognize it goes a little slower for some of those members that have to take up space and never talk. [interjections]

Minister, I would ask you to comment on another comment that you made . . .

**The Chair:** Mr. McAllister, please focus on the estimates.

**Mr. McAllister:** . . . when the budget was released. I think your quote was that while your government was announcing the biggest cuts in the postsecondary sector in Alberta history, we have to look at postsecondary as a system, not individual schools. There's concern, as you know, that your government is centralizing. What does that mean exactly?

**Mr. Lukaszuk:** Well, I can't comment on what you're saying relevant to Alberta's history because I tend not to focus on the past. Maybe that's where we differ. I like to focus on the future. But I can tell you this. We have 26 very unique and quite amazing schools in this province, and all of them are flagships in their own right with what they do and the kinds of programs they deliver for students. That is great. We want them to flourish, and we want them to continue to grow in their areas of excellence.

But we also have 26 very individual, siloed schools, where you see very little collaboration in sharing academic know-how, expertise, resources, online education, transfer of blocks of credits, stacking of education, where students can take a one-year diploma program, then a two-year program at SAIT, and then top it up and

finish with a university degree. And we see very little – very little – sharing of nonacademic, administrative support. That's what I referred to, and I continue to insist that that's the case.

**Mr. McAllister:** Sure. And recognize that I don't think we ever have time to flesh this discussion out in question period. To be fair, I think you needed that time, and I was happy to give it to you. I was happy to ask the question. Believe me, there's a longer list here, Minister. But many people are very, very concerned, and I think rightfully so, about that model.

I'm running right out of time here, but I want to get to research, too. One of the questions I want to ask you, although we did touch on it – and this was in the letter of expectation to, I believe, the University of Alberta and probably to several others. As it is worded, it just seems vague and concerning to many because there are so many interpretations of this: the bullet point "Enhance alignment of Campus Alberta research priorities and capacity with the key outcomes and themes articulated in the Alberta Research and Innovation Plan." Are you directing postsecondary institutions on what research to do?

**Mr. Lukaszuk:** I hope you will allow me to say a few things.

**Mr. McAllister:** You bet. It's complicated. You need some time.

**Mr. Lukaszuk:** It is a complicated issue, and it deserves some conversation.

Number one, there is nothing in those mandate letters that schools haven't already consented to through the development of Campus Alberta. If you, again, go to Google and google their January 2013 meeting, which was the last meeting they had of Campus Alberta, actually almost word for word everything that they propose is in that letter.

If I was to write a more specific letter, mandating schools to those specific things, then rightfully so, you would be criticizing me for micromanaging schools and telling them exactly what they have to do.

**Mr. McAllister:** Well, that's how they're feeling.

**Mr. Lukaszuk:** Please allow me to finish.

**Mr. McAllister:** Of course, yeah, but that's how they're feeling.

**Mr. Lukaszuk:** You know what? You and I are here to make difficult decisions, not to interpret people's feelings. Let me tell you what it is. This letter was purposely written to be rather vague, allowing each school to flesh out what their role will be within Campus Alberta. That is why tomorrow all presidents and I will be meeting, and each school, as they have already planned to do over a number of years, will be defining what their role and contribution will be within Campus Alberta. Nothing new. They have been working on this for years. We actually, finally, for once put this into practice.

**Mr. McAllister:** All right. Thank you for that explanation.

Again, the presidents at many of these universities and colleges are very, very concerned about it. I hope you recognize some of the great research that's already under way, you know, at the U of L, the U of A. Maybe I shouldn't single out institutions, but they've just done some terrific things, and we'd hate to see that affected not only by funding changes but by direction from the government on what they should and what they shouldn't research. Wouldn't you agree?

**Mr. Lukaszuk:** Of course. I have been very clear to you and others. Academic independence is sacred. It's much like judicial independence. No industry or government should ever interfere with that. But I think it's a very reasonable expectation for publicly funded institutions that are also funded by students to make that which they develop available to all other Alberta students, no matter what school they happen to be. So if one of the universities that you mention has developed a protocol or a resource, why not make that available to all other students within Alberta who also pay tuition and who also pay taxes to support that system?

**The Chair:** Mr. McAllister, you have one minute left, and my understanding is that you have an amendment to present.

**Mr. McAllister:** Yeah. Mr. Chair, I think I'll probably have to get to that during one of the five-and-five sessions. Is that all right if I do that?

**The Chair:** If you have time then.

**Mr. McAllister:** Okay. I mean, I would assume I would.

**The Chair:** You have 45 seconds.

**Mr. McAllister:** All right, in 45 seconds, Minister, I just want to go back to the point that we started at, and that is that the advanced education sector was cut more than twice as much as any other department. Most people seem to think they've been targeted unfairly, and I tend to agree with them. I think there were other ways that we could have gotten our finances on track. We didn't need to take a hatchet to the advanced education system in Alberta. Students are going to wind up paying the price for it, and I'm deeply concerned about that. The quality of education that these institutions are able to offer is going to be suffering as well. They're concerned. They're saying that they're already reducing programs.

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

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

**The Chair:** Thank you, Mr. Minister.

Mr. Bikman, for the next 20 minutes would you like to go back and forth?

**Mr. Bikman:** Yes, I think I'll go back and forth, if you will.

**Mr. Lukaszuk:** Sure, if it works for you.

**Mr. Bikman:** May I compliment you on the restraint that you've shown. It's unexpected, based on what I've seen up till now.

**Mr. Lukaszuk:** I try. I try.

**Mr. Bikman:** All right. Well, anyway, if we start with a chuckle, we'll be all right together.

I think that most of us agree with the goal that you're articulating. You've made it clear for me, anyway. At the risk of incurring the ire of the rest of the Wildrose caucus, I think I know where you're trying to go. It's results that you're after. I think what we're questioning is methods and, hopefully, through this questioning process – although we're calling ourselves critics, it's more like critiquing – we'll try and see if we can't find a better way or at least understand what the methods are that you're using. Some of the questions referred to methods and not the results that

you're aiming for. We're wondering how you're going to get there, and you're helping us, I think, or you're trying to, anyway.

Let me just go through a few line items as quickly as we can. I'm a little bit surprised by line item 1.6, international partnerships, for a couple of reasons. First, it's increased by 1,431 per cent, which seems inappropriate given the budget situation. Second, we have a ministry of International and Intergovernmental Relations, and as I understand it, they used to oversee many of these economic development and partnership initiatives. So I'm hoping you can provide us with some information on why you need so much money, what you're going to do with it, and who's going to benefit from this expenditure.

**8:00**

**Mr. Lukaszuk:** Good question. There is no new expenditure on that front as this division was funded through an internal reallocation of budget from a former research and innovation division, ADM office, and the ARIA secretariat program. It's a reallocation and lumping of dollars from several initiatives into one.

You're right. One might think that it is counterintuitive to perhaps not cut it back even further, but our institutions' international brand and international presence is very important. Not only is it relevant to attracting academics to our province that have expertise that has been otherwise developed elsewhere in the world but also to attracting students to this province who very often then return to their countries of origin and become great friends of this province or of Canada and engage in a lifelong business relationship with this country. It's an ambassadorial role and economic development role of sorts.

**Mr. Bikman:** You're creating international advocacy.

**Mr. Lukaszuk:** International advocacy, correct. But what we will be doing, sir – and I hope you support me in that – is encouraging schools, as they travel the world and do that important work, to be mindful of all the remaining 25 schools, particularly some of the schools, primarily in rural Alberta, that don't have the capacity to do that extensive promotion because of their size, to be advocates of not only themselves but of all the other members of Campus Alberta as well. We find very often – actually, we don't have the time to discuss them; I'd love to sit down with you one day and discuss – that there are examples where academics or students present themselves, happen not to be a perfect fit for this school, and are simply left, as opposed to saying: "But, you know what? We have an amazing school in Olds, Alberta, that you would be a perfect fit for." Unfortunately, right now there is no incentive, no mandate, and it just rarely happens if at all.

**Mr. Bikman:** Thank you.

Alberta Enterprise Corp. invests in venture capital companies around North America. Can you please tell us the companies that Alberta Enterprise has currently provided investment capital to, what each company's amount of capital spending is, and give us an example of how this capital has benefited a new or expanding Alberta business?

**Mr. Lukaszuk:** Just bear with me. You're asking a very detailed question. Could you defer to the next one, so I don't waste your time? Then when I get to it, I'll give the answer.

**Mr. Bikman:** Yes. Absolutely. That is considerate.

I'm very impressed and excited by the Orman report on northern Alberta and the northern corridor. What steps have been taken to follow up on that report for improvements for northern

Alberta? I'd also like you to outline how much these initiatives are going to cost, specifically in relation to this year's budget and line item 6.3, Northern Alberta Development Council. I mean, that's an exciting thing that Orman has come up with or at least has expounded on. Obviously, it's a great opportunity, and it's going to do great things for Alberta.

**Mr. Lukaszuk:** It sure is.

**Mr. Bikman:** How are we going to fully exploit it? How soon can we get going on it?

**Mr. Lukaszuk:** I'll try to answer both questions. Let's start with the last one first. Actually, I'll give you the list, and stop me when you have enough because the list of investments is lengthy.

**Mr. Bikman:** Well, give me the top 10.

**Mr. Lukaszuk:** Okay. So \$10 million in Accelerate Fund, an angel coinvestment fund providing a solution for funding gaps for earlier stage Alberta companies; \$6 million for Avrio Venture limited partnership II, Avrio II, a fund focused on innovation in the agriculture and food sector; \$10 million in 32 Degrees diversified energy fund II, service and technology coinvestment, a fund focused on the energy technology sector; \$10 million in Azure Capital Partners III, Azure III, a fund focused on the information and communication technology sector, ICT – stop me when you wish – \$15 million in EnerTech IV, a fund focused on energy and clean technology; \$10 million in iNovia investment fund limited partnership.

**Mr. Bikman:** Excuse me, Minister, just in the interest of time – I appreciate that – can you send that to me?

**Mr. Lukaszuk:** Ship it to you? By all means.

**Mr. Bikman:** Thank you.

Were you able to identify one Alberta company that's benefiting from that, that they've invested back in?

**Mr. Lukaszuk:** All of those are partnerships with Alberta corporations and Alberta interests.

**Mr. Bikman:** Are they? Okay. Great.

Now, then, back to that other question.

**Mr. Lukaszuk:** The other question was on the Northern Alberta Development Council?

**Mr. Bikman:** Yes.

**Mr. Lukaszuk:** Well, as you know, it's a regional development council made up of 10 member council chairs and one member of the Alberta Legislature. Their role and mandate is to develop infrastructure, workforce development, human and health services, resource development, and also to develop intrajurisdictional economic collaboration within the province of Alberta.

**Mr. Bikman:** So just laying the foundation, then, for expanding and starting to get the corridors built and fully developed so we can access Pacific Rim countries.

**Mr. Lukaszuk:** That is correct. That would be part of it. You know, often in this province when we talk about upgrading, refining, and access to markets, we naturally think of bitumen, but – you would know better than I do, so I'm preaching probably to the choir – agriculture has the same problems getting product to

the market and upgrading the product and selling a more finished, more expensive product. That is something we need to focus on, knowing that Canada will be one of the few countries producing surplus food for the world over the next few decades.

**Mr. Bikman:** Sure.

**Mr. Lukaszuk:** So a lot of this research and innovation has to also focus on agriculture. I almost want to not call it agriculture anymore but call it food production.

**Mr. Bikman:** Thank you.

Workforce strategies. Many of your strategies, your strategic goals, focus on labour force development, whether it's through training, immigration, labour development, or something else. These are all good goals to have, and I think we can agree that Albertans would be well served should they be accomplished. Yet we see decreases for immigration program development support and for labour force development. At a time when we see Alberta has just lost over 11,000 jobs – and they're not all in the hospitality industry, as I'm sure you'll admit – would it not be important to invest in Alberta's economic future? I ask just because I'm trying to connect the dots between what you say you're going to do and what you can actually do. I can't get them to connect, and I'd like your help on this.

**Mr. Lukaszuk:** Yeah. You know what? One of biggest challenges that this province will have – it will be and is and probably will continue for a while to be – a shortage of labour. I agree with you, and our number one priority has to be Albertans, followed shortly thereafter by the rest of Canadians, and then, if we have to, we look outside of our country.

Some of the challenges that we have in labour force development are actually not dollar challenges. Right now we're funding, actually, institutions for trades training where students simply can't enrol because they don't have the hours that they require to come from an apprentice into a journeyman. So I will be working on initiatives to encourage our employers to hire more apprentices and to increase the number of apprentices. Also, as you know, we just passed the Education Act. The dual credit earning that will happen between high school students and postsecondary students will encourage further participation not only in postsecondary institutions but in entering the workforce.

But the most important thing – and I'll be very self-critical over here – that I think we could do a much better job with is informing students of the career opportunities that not only exist today but will exist in three, four, five, six, seven years. We have developed tools that are pretty accurate five or six years out on what the career opportunities will be. It's not to make choices for students on what they should do with their lives but to at least give them the information so that they can make educated choices on their career paths as they enter postsecondary institutions.

**Mr. Bikman:** Great. Thank you for that.

Obviously, one of them is currently not likely to be pharmacy, right?

**Mr. Lukaszuk:** So you think.

**Mr. Bikman:** So my constituents tell me.

Going back to apprenticeship delivery, we see some modest changes for line items 3.1 and 3.2 although I think it's safe to say that those are perhaps just inflationary adjustments. But we have been hearing talk of changes in the way apprenticeships are handled. I'm more than a little concerned about handing over

apprenticeships to big unions. So can you tell us who'll be looking after apprenticeships now and into the future?

**Mr. Lukaszuk:** Well, I can tell you what I can see in the foreseeable future. Right now we have surplus capacity within our current schools. That's what I indicated. Getting students into the classroom is not a problem. Actually, without any added budget we can put more – excuse my term – bums in the seats in our technical schools.

You liked that, did you?

**Mr. Bikman:** Well, I did. I think you mean “bums” in the physical sense, not the financial sense, right?

**Mr. Lukaszuk:** That's right.

With the current budget and allocation we can actually put more students in the classroom, but as you know, the classroom is only half the educational process. The actual practical hours that a student has to attain through the apprenticeship program is the other. This is where we have to stimulate more interest among employers during an economic downturn, so when the economy picks up, they have the labour force that they need. But as you know, from an economic perspective that's rather counterintuitive. You lay people off when the economy slows down whereas this is actually the time to hire apprentices and train them for the future.

**8:10**

We did make moves that had some positive impact: the passport system, where students can move from one employer to another and continue earning hours. We also changed the ratios in some trades between an apprentice and a journeyman, allowing for more apprentices to be trained. The biggest challenge is to encourage employers to hire apprentices at a time when there is an economic slowdown so that they have them available, ready to go as journeymen, when the economy picks up.

**Mr. Bikman:** One question, then: can you reassure us, all Albertans, that we are not going to turn over apprenticeship programs to unions?

**Mr. Lukaszuk:** Well, I can tell you at this point in time that that is something that we're not contemplating because we have a surplus within already funded institutions.

**Mr. Bikman:** Can you see how counterproductive that would be, to grant somebody that already enjoys a monopoly in the sale of labour a possibility of a monopoly in the training of that labour?

**Mr. Lukaszuk:** Well, that's your opinion. I won't comment on your opinion because that is not a topic that needs to be discussed at this point in time as we have surplus capacity within our already funded, existing, brick-and-mortar buildings. Just keep in mind that outside of postsecondary institutions there are others, like Merit Contractors, CLAC, and other entities, that could possibly also be capable of doing that work. But at this point in time this is not something that I'm contemplating.

**Mr. Bikman:** Okay. I want to congratulate you for the reduction in line 5.5 although it doesn't seem to go far enough, so I hope that next year you'll do away with the rest of it.

As for line 5.6 there has been a slight reduction, and I'm hoping you could tell me how much of this is being divvied up among biosolutions, energy and environment solutions, technology futures, and the Alberta Research and Innovation Authority. Please tell us the exact figures for each specific program if you can, and if you can't, then would you mail them to us?

**Mr. Lukaszuk:** I'll try to give the division to you right now. Energy and environment solutions: you're looking at \$20,485,000. Biosolutions: you're looking at \$16,108,000. Technology futures: you're looking at \$95,122,000. So your total is \$132,151,000.

**Mr. Bikman:** Thank you.

Now, I know I'm running out of time, so if I could just read the rest of my questions into the record, and then if you could undertake to provide us with answers later in writing. May I do that?

**An Hon. Member:** You've got five minutes.

**Mr. Bikman:** Okay.

**Mr. Lukaszuk:** Leave me some time at the end to try to answer them if you can.

**Mr. Bikman:** I'll ask them, and then you can answer them in the order that you see fit in the time remaining.

Firstly, how many of your employees are making over \$100,000 per year? Will you commit to publishing their names, just as Ontario does?

Second, how many civil servants are working on the advanced education side, and how many are working on the enterprise side?

Additionally, could you tell us how many people are employed in biosolutions, energy and environment solutions, technology futures, and the Alberta Research and Innovation Authority?

What's the total budget for Alberta Innovates: Technology Futures to spend on nanotechnology during this upcoming year? Is this amount expected to increase or decrease in future years? Does the ministry grant money towards the development of nanotechnology through any other programs?

I noticed that you decreased line 6.5, earmarked for regional development. As you talk about economic diversification and economic development and investing in the future, why are you cutting spending on initiatives that are supposed to do just that?

Those are the questions. If we've got two or three minutes left, pick whatever one or two you think that you can go at, and I'd be pleased to hear them.

**Mr. Lukaszuk:** Relevant to naming individuals, that is something that would require some consideration. Again, we're not only dealing with numbers, but we're dealing with people.

**Mr. Bikman:** I know. But Ontario just did that recently, I believe.

**Mr. Lukaszuk:** I can give you the breakdown. Advanced learning and community partnerships: the budget is \$2,097,000,000, and there are 93 FTEs. You wanted the FTEs. You know the budgets. Apprenticeship and student aid: there are 332 FTEs. Innovation and advanced technologies: there are 54 FTEs. Economic competitiveness: 98 FTEs. Workforce strategies: 111 FTEs. International partnerships: 8 FTEs.

**Mr. Bikman:** Okay. Any of the other questions that I've read into the record?

**Mr. Lukaszuk:** You know what? You're overestimating me if you think I remember them, but we have *Hansard* for that.

**Mr. Bikman:** That's okay.

**Mr. Lukaszuk:** You asked for nanotechnology. Yes. We added a \$1.5 million increase in funding for the nanoaccelerator initiative from AITF.

**Mr. Bikman:** What else did I ask?

**Mr. Lukaszuk:** See; you forgot what you asked.

**Mr. Bikman:** I did, too. Yeah.

**Mr. Lukaszuk:** I'm just being told that some of the executive salaries are published in our financial statements.

**Mr. Bikman:** Thanks for your time and your cordiality.

**Mr. Lukaszuk:** Wasn't this good?

**Mr. Bikman:** Bless you for that.

**Mr. Lukaszuk:** Thank you, Father.

**The Chair:** Two minutes left.

**Mr. Bikman:** All right.

**Mr. McAllister:** Can I take the final two minutes?

**The Chair:** It's a minute and 45 seconds.

**Mr. McAllister:** Sure. That'll be lots of time.

Mr. Lukaszuk, I think you're free and clear. I'd just like to table an amendment in the last minute and 45 seconds. I'd like to point out the amendment. I have a copy for everybody, and I'll pass it around. It says: to move that

the 2013-14 main estimates of the Ministry of Enterprise and Advanced Education be reduced as follows:

- (a) for the minister's office under reference 1.1 at page 78 by \$79,000,
- (b) for the deputy minister's office under reference 1.2 at page 78 by \$70,000,
- (c) for communications under reference 1.3 at page 78 by \$110,000,
- (d) for corporate services under reference 1.4 at page 78 by \$3,156,000,
- (e) for corporate costs under reference 1.5 at page 78 by \$241,000,
- (f) for international partnerships under reference 1.6 at page 78 by \$153,000, and
- (g) for transfer to Alberta Enterprise Corporation under reference 5.5 on page 78 by \$1,149,000

so that the amount to be voted at page 77 for operational is \$2,588,567,000.

The reason for that, Mr. Chair, is simple. If we are going to ask higher institutions, our postsecondary institutions, to trim their budgets by the magnitude that we have asked them to do it, then we ought to show leadership ourselves. The government ought to be trimming its own ministry, and it ought to be trimming its own department. If it did so, it would be able to look these people in the eye and say: "You know what? We know times are tough. We recognized it, and we trimmed our own budgets first." You didn't do that, and that's why I'd like to table this amendment and pass it around to everybody and vote on it.

Now, it's at 10 per cent, Minister. If you should feel it should be 7 or 8 or 9 per cent, which is basically what you've asked the postsecondary institutions to do, I think everybody could live with that. But I know one thing. They would certainly have a lot more respect for the Alberta government if you led by example and trimmed your own budget before you went to them and asked them to trim theirs.

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

Speaking on behalf of the Liberal caucus, Mr. Hehr.

**Mr. Hehr:** Well, thank you, Mr. Amery. I'll just go my 10 minutes, and then I'll allow Minister Lukaszuk to respond with 10. Otherwise I get sidetracked, and we'd hate that. I, too, agree with the minister that the Wildrose's approach to this current budget crisis and, in fact, questions on wanting to increase funding somewhat laughable. At the same time, Minister Lukaszuk, I can't say that I'm overly impressed so far with the direction this government is going. Now, since you guys both believe in global warming, in fact, I find your parties remarkably similar at this current time, and your approaches to postsecondary would be very similar should the Wildrose be in power.

With that off my chest, just to be clear, I don't want Minister Lukaszuk to suggest that I don't have ways or ideas to pay for this, okay? Let me be clear; I do, and our party does. In fact, we believe it would be fully reasonable to fulfill your election promise of 2 per cent predictable, sustainable funding over the last three years if we had really taken a hard look at our fiscal structure: where it is, where it's been, and where it's going. You've now been here since 2001. You should have a pretty good idea of our revenue streams. For all the students here, I think they need to be aware that without tax increases, this is simply not going to happen.

**8:20**

For some clarity, even the modest increases that we proposed in the last election would be pretty close to not only being able to fully fund the promises your party made but would be not going into debt nearly as far as we are. I will further point out that if we even adopted Saskatchewan's tax plan, the second-lowest tax jurisdiction in this country, we would bring in \$11 billion dollars more a year. Talk about being able to have predictable, sustainable funding, and talk about saving some of this oil wealth for future generations. In my view, it has been reprehensible, the way we have blown through that oil wealth in one generation. I stand by my comment that it's been intergenerational theft.

Now that that's off my chest, I can go back to asking the questions of the day. There are answers to this. It's not going to be easy politically, but it's my greatest hope that unless you're going to change the fiscal structure, you are no different than the Wildrose, and I believe that.

Nevertheless, here we go. Why has the Alberta government reneged? Oh, I know why. The Alberta government has reneged on the commitment made last year to three years of predictable, sustainable funding. You have cut the operating budgets of the universities by 7.1 per cent, I believe. You did a three-year budget cycle. My question – and you don't have to answer it now – would be: why wouldn't you phase in these cuts over three years at 2.5, 2.5, 2.5? That would have given them some time to deal with this in some form and fashion and may have actually allowed them to handle it in a better fashion. That's if those cuts were necessary.

My second question. An unexpected cut of \$146 million in operating support to the public postsecondaries is going to result in immediate downsizing of the system. Institutions will be forced to contemplate job and program cuts that will reduce the accessibility, range, and quality of postsecondary opportunities the system can provide. According to the government's three-year budget projections, there will only be modest increases in postsecondary funding in the next two years, yet no one can question the value of public investment in postsecondary education or the unmatched return on investment it provides to society and the economy as well as to the individual.

Recent public opinion polls like the one Alberta faculty and student groups sponsored during the last election campaign indicate that a strong majority of Albertans see postsecondary as a priority

and want the provincial government to spend more on it. How can the government justify a decision to cut rather than invest in post-secondary education when most Albertans would identify this as a priority? Will the government commit to providing postsecondary funding at realistic levels which take into account enrolment growth and cost inflation? You've answered some of that before, but I'll let you have another crack at it.

The minister attempts to explain the deep funding cuts as necessary, what he has called an enabler to secure the co-operation of postsecondary institutions in building a new-look Campus Alberta more closely aligned to the government's agenda, a recipe for change that he says is nonnegotiable. I think I got that quote from the paper, but be careful what you read. I know that. This approach to securing the changes the government wants to see calls into question the very foundations of the success of the postsecondary education system that Albertans have invested in and, in my view, are entitled to rely on. Given the implications of the proposed changes, why will the minister not meet with the representatives of the faculty associations, which under the PSLA are the sole bargaining agents on the part of their members, who are the academic staff of each postsecondary institution, to discuss the impact that funding cuts and proposed restructuring of the system will have on the front line of teaching and research?

Question four. Faced with a 7.3 per cent cut in operating funding to public postsecondary institutions instead of the promised 2 per cent increase, universities, colleges, and technical institutes are scrambling to plug major budget gaps for next year. The U of A, for example, is facing a gap of no less than \$67 million in its operating budget for 2013-2014. Is the minister prepared to allow the U of A to run a \$67 million deficit this year? If not, what size of deficit will the government allow public postsecondary institutions to run?

The 7.3 per cent reduction in operating grants to the public postsecondary institutions has not been matched by a corresponding cut to the operating funding the Alberta government provides to five private faith-based university colleges. I think the Wildrose likes to call these independent academic institutions. Why is this? Is the government's intention that these private institutions should assume more of the undergraduate teaching load?

Spending on capital maintenance and renewal has been dramatically reduced to about \$49 million for the upcoming year. With so many competing demands for this funding, this is going to mean that the deferred maintenance backlog will continue to grow across the system. The impact of the cuts in the mid-1990s and the failure to make significant reinvestment into the system until 2005 demonstrate how important it is that this funding should be kept up for capital infrastructure maintenance and renewal. Is it the government's intention that these costs should be met by already stretched institutional operating budgets?

Allocations from the access to the future fund, in which the government has invested \$1 billion rather than the \$3 billion originally envisioned, have been frozen for several years and will be suspended for another three years according to the province's fiscal plan for 2013-16. In the past the AFF provided much-needed funds to match donations to postsecondary institutions from private donors. Indeed, these funds were inadequate to meet the demand for matching money across the system, which sometimes led to problems with donors. As long as the AFF remains frozen, how is the government proposing to assist institutions in securing donations with matching funds?

On the research side the Premier and the Deputy Premier have both made public statements indicating that research conducted in postsecondary institutions needs to be more closely aligned with the province's economic program. The focus of Alberta Innovates

corporation is now on applied and translational research at the expense of basic research. Does this shift of focus account for the shift of responsibility for Alberta Innovates: Health Solutions, successor to the once-proud Alberta heritage fund for medical research, away from EAE to Alberta Health? If not, what is the explanation for this move?

The Deputy Premier continues to deny that the draft letters of expectation infringe on the academic autonomy of universities while insisting that publicly funded research conducted in Alberta's universities should be an economic benefit to the province. There are obvious risks in failing to support the basic or curiosity-driven research activities which provide the essential flow of new ideas that underpin the research that is involved. With the Alberta Innovates corporation focusing solely on short-term goals, how does the Alberta government intend to fund basic research at these universities?

Last question: does the minister honestly believe that he can increase capacity at postsecondary institutions, all the while cutting it by 7.1 per cent? In my view, that's a disingenuous statement, and I don't think it's possible. I know that the minister has tried to answer that, but maybe he can try again.

Also, are you telling me . . .

**The Chair:** Thank you, Mr. Hehr.

**Mr. Lukaszuk:** Go for it. Ask that last question.

**Mr. Hehr:** Okay. Are you telling me that the government of Alberta does not have the power to legislate noninstructional fees? You know you have that power.

**The Chair:** Is the minister running this meeting?

**Mr. Lukaszuk:** All right. I don't know if I can answer as fast as you asked. You lost me at comparing me to the Wildrose. That stung, and I just can't get over it. I've been called many things in the last 11, 12, years, but this is just – whoa.

All right. Mr. Hehr, you often talk about taxes, and I appreciate that. You're passionate about it, and this is what you believe in. But increased taxes – I have to tell you that right now this province is attracting 100,000 people per year, mostly other Canadians. They're flocking over here. I imagine that there is something right that we are doing to attract Canadians from all over the country to move to this province. That's roughly the size of Red Deer every year.

However, as you know, we have a piece of legislation on the books. If we were to introduce new taxes or change taxes, that has to be done through the consent of all Albertans, and that is something that we are not prepared to discuss at this point in time.

**8:30**

Let's bring it from the macro to the micro relevant to our budget. You know that Health, Human Services, and Education, K to 12 education, absorb some – what? – 80 per cent of the budget, and you also know that we are looking at a \$6 billion gap that obviously had to be found somewhere within the remaining 20 per cent of the budget. The guys that you accuse me of being like would have found it, all of it. We have taken a much more measured approach, and that's why we're dealing with the situation we're dealing with right now and not as severely as it could have possibly been.

However, you're asking why we didn't stretch this over three years and do 2.5 per cent per year. Well, just so you know – and maybe you do know, but let me remind you – every single school now will be filing what they call a comprehensive institutional

plan. It's a three-year plan. They will be showing us – you, me, Albertans – how they will be handling their budget and subsequent budgets over three years. So their comprehensive three-year plan will be showing us how they will be absorbing this 7 per cent, and that is something that we will be discussing. It's a collaborative process between the ministry and the particular schools. But running deficits beyond the comprehensive plan that they will be presenting should not be an option because you're passing that deficit on to students into the future, as you can imagine.

Let me go back to the principle here. The fact is that the budget has been increasing by 49 per cent over the last 10 years. Even after this reduction I believe we are the second highest funded postsecondary system outside of Quebec, and tongue-in-cheek I can say that we're also cofunding that one in many different ways. The fact is that it shows that postsecondary education is a priority and has been a priority of this government because of the increases and where it ranks in the funding model.

Let me be perfectly clear. I am not personally very happy with seeing a 7 per cent decrease in any budget. No matter what ministry you're minister of, you'd like to see increases. But there is a time, and perhaps this opportunity has arisen, where we can stop and take a look at the system, take a look at the system and do what we do within the government of Alberta, zero-based budgeting, to see if we are delivering the education that we are delivering as efficiently as we possibly could. If we are at the end of the day, then I accept that. Then that's great.

But I have to tell you that having had the opportunity not only as a student in postsecondary education but as an MLA and minister for the last number of years and now, in particular, having engaged in conversations with presidents, with chairs, with student body associations, I can tell you no longer intuitively but actually quite factually that I am satisfied there are efficiencies to be found within the system that would allow diverting more dollars into what you and I would share that the priorities should be, and that's students and quality of programs and accessibility and access of students into the programs. So I would challenge anyone who opposes the process of finding efficiencies within the system.

Let me be perfectly clear again. That does not mean interfering with the academic independence of the school, but it means in the way we administer not only individual schools but all 26 schools together. I am convinced that we cannot increase students' tuition, as we have capped it for this particular year, but we can also improve the student experience through layering of programming from one institution to another and allowing students to be lifelong learners and stack their educational credentials and allow this province and Canada – because, frankly, when you look at our ability to develop research and commercialize it, Canada is not faring very well. Nor is Alberta compared to jurisdictions of similar quotients of development and financial capability. But it is a fallacy to automatically assume that it has to happen at the expense of pure research.

No one, at least no one in our caucus, I can tell you, would argue with the fundamental importance of pure or curiosity-based research. Some of the best things in the world have been invented that way. The pursuit of knowledge and the self-fulfillment of students and the engagement in academic pursuits is very important in itself, but there are those in academia and in publicly funded institutions, private institutions, and the private sector who choose to engage in applied research, providing actual solutions to actual problems that are presenting themselves at hand right now. One does not have to be at the expense of the other.

As a matter of fact, you will find that jurisdictions that have managed to diversify their economy and achieve what you want us to achieve, a predictable stream of income not relying on a single resource and the commodity prices going up and down, have managed to diversify their economy through research and development. You know, the Silicon Valley comes to mind. Boston comes to mind. Israel as a country comes to mind, where academia through collaboration with partners from outside managed to develop and commercialize research and develop a whole new economy and wealth and at the same time grow pure research. Harvard, one would argue, has some of the best – don't get excited – small “I” liberal education that a school can possibly deliver, known as an Ivy League school yet engages in applied research.

One can actually stimulate and cofund the other as well in addition to the funding that students and we are providing hand in hand. I know that these kinds of discussions may lead some for one reason or another to postulate that this is the end of pure research in this province and everything now will be made for money. Well, that simply is not true. I think that, structured properly, both can be elevated. When you look at this province, this province naturally lends itself to research that to some degree is happening in this province but could be elevated.

We discussed with our colleague opposite about agriculture and genomics, but energy and environment, water research and irrigation, particularly down south in Lethbridge, animal science. In the capital region health research combined with the University of Alberta and our single-payer health administrator and other potential partners that could come in, as they look at us as a living laboratory. That can happen, and one doesn't have to be threatened by the other.

If you're looking for income stability for this province and to be able to grow the next economy maybe not for you and me anymore but for our kids and grandkids, that is one way of achieving that income stability, by simply diversifying the economy. We often talk about diversifying the economy, but this probably is the first time in a long time that we are taking very deliberate steps towards achieving that particular outcome.

Again, yes, you can make easy decisions – increase tuition, increase funding – and carry on, but I think we have a fiduciary duty to our students – because at the end of the day I wouldn't have a job, the presidents and chairs wouldn't without the students – to be satisfied that we are efficient.

**The Chair:** Thank you, Minister. We're at halftime right now, and we will take a five-minute break.

[The committee adjourned from 8:39 p.m. to 8:46 p.m.]

**The Chair:** Okay. Ladies and gentlemen, I'd like to call this meeting back to order. I see the minister is here.

Now, speaking on behalf of the NDP caucus, Ms Notley. You have 20 minutes.

**Ms Notley:** Okay. Thank you very much. Awesome.

**The Chair:** Would you like to go back and forth with the minister?

**Ms Notley:** I would like to go back and forth.

As I always say when I start this that I may periodically interrupt you. It's not that I don't love to hear you wax poetic about all of this. It's just that I have such a ridiculously short time to get information that it may be that I've kind of gotten the primary point and want to move on to another thing. So don't take

it personally. I'm not trying to be my typically aggressive self. I'm just trying to move forward. I'd like to put that out there first.

I want to just start by sort of making the obvious point that, in fact, there is a subtle difference between you and the Wildrose.

**Mr. Lukaszuk:** Thank you. I'll take whatever I can get.

**Ms Notley:** It's subtle. The Wildrose don't want to raise taxes, but at least what they do is say: "We don't want to raise taxes. We can't afford this, so it's not going to happen." You don't want to raise taxes. You say that we can't afford this. But you know what? With less, we've actually developed the ability to create unicorns out of thin air, and therefore we can do everything. I say this because this is my third set of estimates in the last two days, so you can imagine that I'm a little bit tired. Nonetheless, I've had ministers with, you know, multiple-million-dollar and hundred-million-dollar cuts say: we can actually do more with less. It is kind of a frustrating process, I have to say.

Obviously, that's not the case. What will happen is that cost pressures will create unintended or intended side effects. One of those side effects that I want to just follow up on from the Member for Calgary-Buffalo that you didn't get a chance to get to is the issue of noninstructional fees and market modifiers. Now, you implied previously that that's something that's up to the institutions and that you're going to, quote, encourage them not to engage in that, but I think you know, Mr. Minister, that you are fully capable, not even through legislation but through regulation, of ensuring that that doesn't happen.

My question to you: will you pass a regulation that ensures the institutions will not increase either noninstructional fees or market modifiers? Yes or no? If the answer is no, will you accept responsibility that it is the decision of this government to allow those increased costs to occur?

**Mr. Lukaszuk:** I will not be answering, ma'am, your question yes or no when it's not a yes-or-no type of question. But I can tell you this. I have been clear that we're going to cap tuition, and I think that is a pretty definitive statement.

**Ms Notley:** I think tuition has been capped since about 2004. What I'm looking at are noninstructional fees and market modifiers.

**Mr. Lukaszuk:** And I will be making some considerations and statements relative to market modifiers. Hold till you hear that shortly.

Relative to noninstructional fees I have been at this point in time very clear with all chairs and all presidents that I expect them not to pass costs on to students until we go through a process of finding, first, efficiencies within the schools. I also have been very clear that I expect our students to have better representation in the decision-making process at schools, where the decisions are being made on noninstructional fees.

**Ms Notley:** Does that mean that you'll have it go to a vote of students?

**Mr. Lukaszuk:** Well, I believe students should have a meaningful role in the decision-making process, and that is something that I'm currently looking at and that we'll be reviewing.

**Ms Notley:** Is that a vote or just being at a meeting?

**Mr. Lukaszuk:** No. A vote is important. They pay for 25 per cent of the cost. They are not only the beneficiaries of the education

but are also cofunders of the system. I think there is a voting role to be played.

But if the student body agrees that additional noncurriculum, noneducational services are to be offered by the school that are not meant to be paid through tuition, then they may agree on paying for those additional services.

**Ms Notley:** Can you contemplate a situation where the administration would want to increase noninstructional fees, the student body would not, where you guys have gone through your cost-cutting process, your negotiations with administration – and ultimately they've cut everything they can – and still potentially there's a desire to increase noninstructional fees? Would that happen? Do you see that happening?

**Mr. Lukaszuk:** You know, it's difficult to follow your requests when you're actually conveniently arguing two sides of the ledger. On one side you're telling me that I'm micromanaging the system and trying to operate the schools, and on the other hand you're asking me to tell the presidents how they can and cannot set up a fee structure for students.

**Ms Notley:** I'm only saying that because you say that when we tell you that these cuts mean students are going to pay more, you tell us that, no, they won't. I'm just pressing you on whether they will or they won't. If you think they might, then just say it, and we can move on to the next topic.

**Mr. Lukaszuk:** No. I won't say it because that is not the case. What I'm telling you clearly is that students in the province of Alberta will not be paying more for their educational services. I am also telling you that I will be working to persuade all schools not to increase their noninstructional fees unless there's a bona fide reason because they're delivering additional services which students care to receive.

**Ms Notley:** So my interpretation of that is that there's a possibility those could go up.

You wanted to talk about market modifiers?

**Mr. Lukaszuk:** I said that I will be making comments and announcements relative to market modifiers promptly.

**Ms Notley:** But we're in estimates now. Can you not answer the question?

**Mr. Lukaszuk:** At this point in time I can't. I will be meeting with presidents of all schools tomorrow, and I will be making that decision then.

**Ms Notley:** All right. I think that might be slightly out of order, but we'll carry on.

Another question that was asked was: why is it that you haven't had direct consultations with faculty? I appreciate that faculty have representative mechanisms through the institutions, but why have faculty not been identified as key stakeholders that would have a separate place at the table?

**Mr. Lukaszuk:** Well, be careful what you ask for. I haven't ruled out meeting with faculty. I think they can bring a wealth of information and teach me a lot, and I'm looking forward to that.

But be careful what you ask for because I imagine you would also argue at the same time that faculties are not the employees of the minister, that they're independent of the minister, that they're employees of each particular school, that they have academic

independence, and that whatever decision the minister may make could translate into academic independence.

But, when convenient, you're asking me to actually meet with them and work with them through the finances of the school. I respect their independence. I respect the fact that they work for universities and not directly for the minister's office. Hence, my relationship with faculty is somewhat more removed than it is from chairs of institutions, who are appointed by the minister, and presidents of institutions, who are hired by the board directly, and there is also, obviously, a fiduciary duty that I have to students, who happen to be not only students but cofunders of the system.

**Ms Notley:** Well, that's certainly a convenient excuse, but I think that if you're going to embark upon transformational change, you should be meeting with all stakeholders, and the fact of the matter is that faculty have input. It doesn't mean that they necessarily are decision-makers, but I think it's very short-sighted not to formalize an opportunity for them to have input.

**Mr. Lukaszuk:** But you're making assumptions. I agree with you that there is lots to be gleaned from faculty by way of identifying areas where we could perhaps minimize the impact of this budget, and I will definitely find ways of utilizing that. But at the same time I will respect what I imagine would be your wish for me, to respect the independence of the faculty, and I am not sure whether it would be appropriate to have a formal table.

8:55

**Ms Notley:** I think that if you're making decisions that result in a bunch of layoffs and then being asked to take extended times without pay and in potentially, you know, adjusting a mandate such that what they teach and how they teach might change, it would be short-sighted not to consult with them, and I would urge you to consider consulting with them.

**Mr. Lukaszuk:** Well, I've been very clear. I will find opportunities to learn from them.

**Ms Notley:** Would you meet with them?

**Mr. Lukaszuk:** Well, of course.

**Ms Notley:** Okay. I want to talk generally about the budget. This is the situation that we're in. Prior to the announcement of the cuts, we had operating deficits in four of our major institutions, and we had pressures. They were saying that they actually needed 4 or 5 per cent in order to deal with their deficits. That was essentially where we were at. Then we had the Premier promise 2 per cent and stable funding. Then that promise was broken, and we're at a 7 per cent cut. That brings about a number of significant problems. Of course, in my view, you're actually adding to it because of your mandate letters and your so-called attempts to acquire administrative efficiency. Even if their long-term impact is to bring about efficiency, in the short term it's going to cost. I want to talk about some of those things. We've got sort of two layers there.

Now, in the last four years the number of students turned away from Alberta universities has been slowly rising. How do you see that trend not continuing and, in fact, accelerating with a \$147 million cut to the institution?

**Mr. Lukaszuk:** I would agree with you, and I have to tell you that it's a dilemma that I will be focusing on maybe not singularly, because there are a number of matters that I will be focusing on over a short period of time, but that is one area that needs to be addressed. Not only does that mean that students who wish to

access postsecondary education may not, but also the high school mark average rises as the number of seats is competitive between the number of applicants.

I need to remind you that following 10 years of significant budgetary increases, this is the first year in 10 years that our postsecondary educational institutions have seen a decrease.

**Ms Notley:** Well, they've seen a decrease through a freeze. I mean, let's face it. Your population/inflation increase has run between 3 and 6 per cent over the last several years, and they've had a zero per cent increase for the last three, I believe.

**Mr. Lukaszuk:** But what schools will be doing now is filing a three-year institutional plan. We will be dealing with the impact of this budget and subsequent budgets through a three-year institutional plan and not just a one-year institutional plan.

**Ms Notley:** But is that going to be stable, predictable funding, you know, like in Education and in Health? Then they don't end up getting it.

**Mr. Lukaszuk:** Rachel, let me say this to you. I don't think your crystal ball was or is any better polished than mine. The commitment has been very sincere, and the commitment remains to invest and grow our postsecondary institutions for two reasons. One, it's the right thing to do. Secondly, as I elaborated to our colleague from the Liberal caucus, this is another way of diversifying and growing our economy into a flourishing, high-paying economy for Alberta.

However, all of those commitments that have been made that remain valid were not made in such a way that they will all be delivered on within year 1 of a four-year mandate.

**Ms Notley:** No. The 2 per cent increase was made to be delivered in year 1 of a three-year mandate.

**Mr. Lukaszuk:** I appreciate that, but at that point in time neither you nor I nor, frankly, anyone who would have any understanding of finances would have known that we would be looking at a \$6 billion budget drop.

**Ms Notley:** Well, I'm not going to have a debate about that. I don't buy that particular thing, and I don't want to get into a big discussion about what you could or couldn't have predicted. I can say that you can predict the revenue that you choose to raise regardless. You're not some little feather in the wind, as much as it often seems that way when we watch this government in relation to CAPP and other people like that. The fact of the matter is that you do control your own destiny. You can control your revenue stream. You chose not to.

Notwithstanding that, you made a commitment to 2 per cent over three years, which now has clearly not happened, so there is the whole additional cost that simply arises from chaos. I think there should be a chaos surcharge applied. There should be a line item in there called chaos surcharge, and we should plan to have to pay for that as well, much along the lines of what we did at AHS.

I want to go through the mandate letter. I mentioned as well that I think what you're doing is actually increasing costs. Earlier on you were asked: what are some of the areas of duplication? Let's say that for the moment we move away from the very valid arguments that surround institutional independence and integrity and decide: "Okay. We do want to develop consistency. We want an English program at NAIT to be transferable to an English program at the U of A." Right now that program at NAIT is

designed by people to have that English student be able to move on to a certain technical program, and it's also designed with an understanding of the profile or the demographics of their students. It's different than the English program at the U of A. Now, if you decide you want those two English programs to be same, the fact of the matter is that it takes time. It takes the time of faculty and, heaven forbid, those evil administrators, who you think we have too many of, to sit down and figure out how to write that course in a way that it is meaningful and useful in both settings. That may ultimately save costs, and that may ultimately help students, but it will not this year or next year cost less. It will cost more.

The same thing when you talk about streamlining online learning. I've been an online professor. I understand how complex that is. Just in the same way you guys spent \$80 million not getting the police services across the province to co-ordinate their online data collection processes, you cannot get a whole bunch of institutions to streamline and make similar their online education programs without an upfront cost.

So I don't think you're being entirely forthright with Albertans when you say that this \$147 million budget cut can somehow be accommodated by administrative efficiencies that are going to save money, not cost money. Tell me how it is exactly. Point to a program that's going to save money without first costing money.

**Mr. Lukaszuk:** Well, I'll tell you that. As a matter of fact, I have a feeling that after we meet tomorrow with the presidents, I will be able to give you actual tangible examples of efficiencies that can be found almost instantly. Let me give you one example, and I won't be naming institutions because that wouldn't be an appropriate thing to do. Very recently one Alberta school approached another Alberta school and said, "You have the curriculum for a program that you developed that we would like to deliver in our part of the province because there is a need for that service." It had to do with health, by the way, and it was for seniors. "Would you please allow us to use your curriculum to deliver that program?" The answer was: "No. We own this curriculum. We developed this. It will cost you \$150 million if you want the curriculum." This is one publicly funded institution, funded through students and taxpayers, not willing to let another publicly funded institution, funded through students and taxpayers, deliver something that we jointly have already paid for. We're not talking about private school to public, public to private: two schools within Campus Alberta.

These are the kinds of efficiencies that can happen. Yes, all schools have academic independence, and they may want to take that curriculum and modify it.

**Ms Notley:** And when you modify it, it costs.

**Mr. Lukaszuk:** That's right, but it costs less than developing that curriculum from scratch again. I know, Rachel, that we will not agree on a lot of things and that having more workers, particularly unionized, within an institution perhaps doing duplicate work is something that you may not object to as much as I would.

**Ms Notley:** So you're talking about getting rid of unionized employees? That's how you're going to save money here?

**Mr. Lukaszuk:** No. What I'm saying is that the work by unionized employees or non-unionized employees, any employees, does not need to be – because at the end of the day your constituents, predominantly students, who live in your riding, are paying for 25 per cent of that. How can you possibly justify to these students and taxpayers paying twice for the development of the same curriculum, that could simply be lent by one institution

to another? Tell me one logical reason why there shouldn't be a depository of all curriculums in Alberta, where schools can actually pick them up?

**Ms Notley:** I don't think that's necessarily a bad idea, but I do think that the process of getting there, even that relatively simple thing, is going to cost you more up front than it will down the line. You've taken \$147 million out of the budget up front.

9:05

**Mr. Lukaszuk:** Give me another logical reason why from now on as schools develop their protocols online and purchase payroll software and other software that we can't have an approved Campus Alberta protocol of software so . . .

**Ms Notley:** Why did it cost your government \$80 million to not implement approved software for police records? Because there are complexities in these things.

**Mr. Lukaszuk:** There are.

**Ms Notley:** And I am worried that you have not given them due consideration and/or that you have and you're just sort of using this as a way to say that, really, we can cut \$147 million without it hurting anything.

**Mr. Lukaszuk:** Well, Rachel, you may be worried, but I'm telling you that over time we owe it to ourselves and to students to make sure that we standardize these as much as possible.

**Ms Notley:** Absolutely. So invest in it up front. In some cases standardization is good. In other cases I think you're undermining the integrity and the academic independence of these universities, you're undermining our international representation, and you're undermining the U of A. But that aside . . .

**Mr. Lukaszuk:** You know, I think, Rachel, this shield of academic independence . . .

**The Chair:** Ms Notley, you have about 35 seconds left.

**Ms Notley:** Okay.

**Mr. Lukaszuk:** As much as I share with you in the sacred nature of academic independence . . .

**Ms Notley:** I don't think you do, really.

**Mr. Lukaszuk:** Well, you can think what you want. Frankly, that doesn't affect what I think, but don't tell me that having the same payroll system in any way affects independence.

**Ms Notley:** No. I'm saying that that is doable, but the point is that it costs money up front.

**Mr. Lukaszuk:** But it saves in the long run.

**Ms Notley:** But it costs money up front, and this year we're \$147 million short.

**Mr. Lukaszuk:** And we will be absorbing that over a longer period of time to save students and taxpayers money over a longer period of time. With your theory we could never change anything because everything costs money up front.

**The Chair:** Thank you, Mr. Minister. Thank you, Ms Notley.

Speaking on behalf of the Progressive Conservative caucus, Mr. Dorward.

**Mr. Dorward:** All right. Thank you very much. Thank you, Mr. Minister.

**The Chair:** Are you going to combine your time with the minister back and forth?

**Mr. Dorward:** Oh, I would like to go back and forth. Yes, of course. More back than forth, applying the same comments that Ms Notley had, Minister, that if I shorten up your answer a little bit, it's because I heard the answer to the question. I thank you in advance.

Thank you, Minister, for doing what's right. I have sat in these estimates deliberations for a few weeks now, and I've watched Wildrose notice of amendments with slash-and-burn, percentage-based adjustments in estimates. You're working with our postsecondary institutions and challenging them on many fronts, including seeking cost-efficiency within their institutions, working for an all-Alberta solution, Campus Alberta, collaboratively strengthening students' access to postsecondary by the sharing of designated curriculum and more transferability between institutions.

Minister, under the guidance of the Premier I see you also seeking efficiencies with what's happening within your ministry in the sense of combining advanced ed with enterprise and looking toward building Alberta in the future, not slashing Alberta, quite frankly, in the future.

Let's talk a little bit more about the students. I think we should spend some time on that, Minister, and you can to chat take a few minutes on that generally. I'll let you have a little bit of freedom in that area since we have students in the room, and certainly I know that we have students online. I'd like to know your thoughts on what this budget does for students. I would refer you to line 4.4, particularly, with respect to student loan disbursements, which I see have gone from \$268 million, actual 2011-12, to a forecast this year of \$350 million and to \$425 million. With that as a base could you tell me what you think about student loans, Minister, and what you think your ministry is doing in that regard for the future?

**Mr. Lukaszuk:** Well, in the student loan disbursements, as you have noted, Mr. Dorward, there's a significant increase in funding. That comes from our overarching commitment and our Premier's overarching commitment that, unlike what some would want us to do, we will not balance the budget on the backs of the most vulnerable in our society. You saw the Human Services budget, the Health budget. Those budgets have not been as affected as this one, and within this one I'm doing my best to deliver on that same promise and make sure that those who simply come from low-income family circumstances are not negatively impacted and that, actually, as a matter of fact, we increase their assistance.

As I said earlier, our province provides more funding for students by way of bursaries and grants and other financial vehicles than all of the other provinces combined. And guess what? At the end of the day, when they graduate, there are actually jobs waiting for them, which is not a bad deal with a low taxation regime. That's why a hundred thousand have come to this province.

Mr. Dorward, don't get me wrong. This is a difficult budget. It was difficult for us within the ministry, and it will be difficult for all 26 schools. It will require a great deal of collaboration between the ministry and schools, but it will also require a great deal of commitment towards students.

It's quite interesting because as we were discussing the budget up to now, and I believe – what? – 2 out of 3 hours have passed,

students did not come up very often with the opposition, yet the only reason the system exists in the first place is because of students. That is why the first decision I made was to cap tuition, freeze it this year. It would have been a very easy decision to increase tuition, and perhaps some would want to do that. We won't do that, and we will be looking towards what I'm calling administrative efficiencies and also efficiencies through collaboration.

I have to tell you, Mr. Dorward, that having now met or talked to all the presidents and most chairs, they have to be given a lot of credit because they are actually coming forward with examples of what they can bring to Campus Alberta and share with other schools. They're coming with examples of what they're found to be excellent at and in which ways they can assist schools. They're finding administrative capabilities that they have that they're actually willing to share with other schools, and it's actually a breath of fresh air. Many will tell you – those are not the ones who are seeking public attention – that this will lead to a better experience for students. I'm looking forward, actually, to tomorrow's meeting to hear some more of those examples aired in front of all presidents at the same time.

**Mr. Dorward:** Okay. Thank you. You've given me a nice segue into my next question, which is that it seems to me that you have really shaken up the system, and we can't just walk away from that. Can you give me some kind of indication of how you intend to continue to work with the various parts of the postsecondary educational institutions in that you have a board of governors, you have an administration, you have a president, and you have the students themselves? Just in a short little answer: going forward, are we going to continue to be collaborative with the ministry and those groups in any way different than what has happened in the past?

**Mr. Lukaszuk:** We will have to. Frankly, the situation that exists right now where – actually, there is no table at which all presidents meet right now. They meet with each other within sectors, but there is no table at which all presidents meet and collaborate, and chairs and students of various institutions, outside of sectors. If we are to achieve the excellence we want to achieve and at the same time meet the budgetary requirements of this one-year budget – let's separate the two topics. They tend to be blended because they happened roughly at the same time.

Campus Alberta and finding collaboration and efficiency is something that has been built over a number of years, 10 years, but there was simply never a catalyst to implement it. They've been building it – it was a rather theoretical concept – but it was never really fully implemented. Now this budget comes along, and it would be very easy to conclude that Campus Alberta is somehow the product of this budget. Well, it's not. This budget is a phenomenon of our financial situation this year, but even if we had the plus 2 per cent budget this year, I would still insist on implementing – and most presidents, I imagine, would support that – Campus Alberta concepts because at the end of the day it is simply wrong to charge students tuition and charge taxpayers money without satisfying ourselves that we are collaborating.

We don't live in separate countries. These are not even in separate provinces. These are 26 institutions within the same province, and I think they must be talking to each other, they must be collaborating wherever possible and sharing their best practices so that they can grow on those best practices without infringing on each institution's academic independence.

9:15

**Mr. Dorward:** Okay. Thank you.

Another segue well done to line 2.4: Campus Alberta innovations. You touched on this earlier. There was \$34 million spent in that area in 2012-2013, and the budget for this upcoming year is about the same. If you're talking about Campus Alberta and more being done and these kind of collaborative things, is that fair, then, to have the same budget? Or are you looking to spend more money in that area to supplement, if you will, some of the cuts in the other areas, some of the efficiencies that we're finding? Shouldn't we be spending more money in that particular area?

**Mr. Lukaszuk:** Perhaps we could be, but at this point in time that would mean diminishing some other line items in this particular budget, and now would not be appropriate to do so. But, indeed, in the future perhaps the funding mechanism should be such that it encourages collaboration, rewards collaboration, and rewards sharing of best practices between schools both from the academic perspective, if they choose to borrow practices from each other, but most definitely from the administrative perspective.

**Mr. Dorward:** Thank you.

Let's switch to capital projects. Which capital projects are approved? Are you able to tell us that now? I'd like to know what kind of interaction your ministry has with the capital projects that are approved in the sense that there is some perception out there by individuals that the universities and colleges build Taj Mahal type of facilities rather than something that is less expensive and something that is maybe not quite as glamorous. Can we afford glamorous? Does your ministry have any impact on that decision at all?

**Mr. Lukaszuk:** You know, I'm not worried about glamorous because I don't think that's the intention of any school. I want to make sure that they have facilities that are adequate not only for today but for many years to come. I also want to make sure that they have facilities that are conducive to world-class academia and research work that will happen in these buildings.

To answer your question more directly, NAIT centre for applied technology, NorQuest downtown campus, U of C Schulich School of Engineering, Lethbridge College trades and tech renewal, Mount Royal library and learning centre, and University of Lethbridge destination project are the ones approved at this point in time in this year's budget.

I have to tell you that there is a story here that is an example of the good work that happens in Campus Alberta. Don't get me wrong; there are some examples of great collaboration that we should be growing upon. When NorQuest College decided to build its own second campus, as a relatively smaller institution they didn't have the wherewithal, the expertise, within the college to design the new building and to put the financial package in place. Guess what they did? They turned to the University of Alberta, which has that expertise within its school to assist them, and it was the University of Alberta that did all that work for NorQuest College. That is phenomenal.

That is Campus Alberta at play, and I don't hear the academia from either school saying: our academic independence has been infringed upon.

**Mr. Dorward:** Thank you.

Let's get back to students. Line 4.3, grants and bursaries. I'm seeing the following numbers. In 2011-2012 the actual dollars spent, \$18 million. I'm seeing a forecast this year of \$34 million, and I'm seeing an estimate for next year of \$59 million. Could you

comment on that kind of commitment to the students, firstly? Secondly, are those dollars spent within the province of Alberta for those bursaries and grants? Or does that fund as well Alberta students that go outside the province, and if so, is there anything done to request, ask, implore those individuals to come back to Alberta and work here after we helped them with a grant?

**Mr. Lukaszuk:** It is for both, but most of it will be for students attending schools in Alberta. We don't want to limit young Albertans' opportunities to engage in advanced education, and if there are programs outside of Alberta that are not offered inside of Alberta, by all means, we owe it to them to avail them of that education.

The reason you see growth stems not only from our fundamental belief that budgets should not be balanced on the backs of the vulnerable but also that we owe it to all young Albertans, particularly those who come from low-income families, to have access to postsecondary education. If we are ever going to improve their socioeconomic plight, it won't be through the provision of social assistance for the rest of their life. It will be by giving them the tools they need to engage in employment, in high-paying employment, and through education. So this is a very deliberate investment in low-income Albertans, who otherwise wouldn't have the ability to enter postsecondary education, to break that cycle of poverty and let them engage in some of the well-paying jobs that exist in the province.

**Mr. Dorward:** Thank you.

I've heard more globally based policy chat today, not a lot of specifics as to the ministry promoting, if you will, a particular segment of postsecondary education; for example, nurses and practical nurse training. Can you talk about whether that's something the ministry promotes in a particular way, or is it just encouragement that goes to postsecondary educational institutions to encourage more training in an area where we've identified in the province we need those individuals?

**Mr. Lukaszuk:** Yes, we do have the health workforce funding development plan, which is cofunded through this ministry and Alberta Health. Petroleum engineering is another area that is being endowed that way.

Let me share with you, if I may, a tool that our ministry has developed that is aimed at, I would say, relatively accurately predicting what the labour force requirements will be in the future. It's pretty accurate for the next four, five years out. As I said earlier to one of our colleagues from Wildrose, I will try to do perhaps an even better job in making that information available to our students not only in grade 12 but also, somehow – and I'm looking for creative ideas from everybody around this table – upon registration time to give our students a good understanding of what the labour force requirements will be as they are making some very critical decisions in their life choosing their path of education.

I am singularly committed – and I know our Premier is, and as a caucus we all are – to making sure that the employment opportunities that exist in our province are first extended to Albertans, particularly our young people who are in this province. To do that, they have to have skill sets compatible with the jobs that exist. That does not mean that we will be channelling young people into jobs that exist, but I think we owe it to them to let them know what the reality is, and then they can make their own decisions on what their educational and career path will be. It pains me to hear that there are young Albertans that would like to work within a certain sector but don't have the skills while we are bringing in

workers from other parts of the world – it's not as painful from other parts of Canada – to fill those jobs. We need to identify what those skill sets are that will be required and share that information so that they can make educated choices on what their career path will be.

**Mr. Dorward:** Minister, I have The King's College within my community. My understanding is that private colleges – is that the correct terminology for colleges like The King's College?

**Mr. Lukaszuk:** Independent, I believe.

**Mr. Dorward:** Independent colleges, I believe – correct me if I'm wrong – receive 80 per cent funding model based on what the others receive. They did not have a cutback. Am I correct in that? What was the thought process behind that?

**Mr. Lukaszuk:** They were frozen at last year's level of funding. Since we're providing 80 per cent of the funding that we would otherwise to other institutions, that will result in pretty well the equivalent outcome.

**Mr. Dorward:** Minister, let's get back to those students that wish to attend those colleges. Is there any funding provided for those kinds of colleges in other provinces?

**Mr. Lukaszuk:** You know, I can't tell you what other provinces do, but I can tell you that we extend student loans and bursaries and grants to students irrelevant of what school they choose to go to because, much like for our K to 12 education, also in post-secondary education we believe that choice is good and that students should have the choice. So they can access the same funding models, but keep in mind that often, because of the fact that our funding is diminished, they tend to be smaller schools with smaller economies of scale, and their tuition component is significantly higher than what it would be in a public institution.

9:25

**Mr. Dorward:** I wouldn't mind getting that answer back from the ministry relative to the crossprovincial comparisons just because the little bit of checking that I've been able to do or from the people who have got back to me tells me that those educational institutions are not funded in other provinces.

**Mr. Lukaszuk:** That may be the case. I'll find out.

**Mr. Dorward:** Again, an example of what your ministry is doing for all students, regardless of what their choices might be of where they want to go.

Minister, The King's College – I've got the time, another minute and a half approximately. They do some wonderful things in that school, and I know they're thankful for the funding that they receive.

Finally – and I just have about a minute left – I wanted to particularly thank all my . . .

**The Chair:** Do you have a timer on you there?

**Mr. Dorward:** Yes, I do.

**The Chair:** Good.

**Mr. Dorward:** I'm actually able to use the timer, ask questions, listen to answers, and probably tweet at the same time. For those who need an explanation of that, somebody's grumping about the fact that I tweeted at about 8:29 today. They're complaining that I shouldn't be tweeting on government time.

I did want to thank all of my colleagues in the PC caucus and the third and fourth parties for staying for this discussion. I look across the table, and I see three of seven MLAs from the opposition here – seven at one time, three now – who have conveniently vacated the room regardless of the importance of this discussion, which is all about the students and making sure that we have the education for them that they deserve in the province of Alberta.

**The Chair:** Now, ladies and gentlemen, the specified rotation between caucuses is complete. [interjections] Excuse me.

We move to the second portion of the meeting where any member may speak. The speaking times are reduced to five minutes at any one time. Once again, a minister and a member may combine their speaking time for a maximum total of 10 minutes. The members are asked to advise the chair at the beginning of their speech if they wish to combine their time with the minister's time.

Mr. McAllister.

**Mr. McAllister:** Thank you very much, Mr. Chair. May I say that you're doing a good job with, generally, a pretty good room, occasional outbursts.

Back and forth, Minister, if you don't mind, for the 10 minutes we have.

I would say to all the shout-outs from the other parties – the Liberal, Mr. Hehr; Mr. Dorward, your comments about the Wildrose Party; and several mentions about our comparison to you, Minister – guys, we're not government yet, okay? It's those guys that we're asking the questions of tonight. We appreciate the shout-outs. We really do, Mr. Hehr, especially from you. Thank you.

Let's go to the issue that was just mentioned, that I think was important, by Mr. Dorward. He mentioned nurses specifically. I'm so glad that you brought that up because we brought it to question period just a week ago. Do you know that Mount Royal University has had to cancel the nursing program because of this budget? Yes, it has. The president is on record saying that he has had to do that because of the budget. They were hoping that they would get some commitment from the Health minister or the advanced education minister so that they could make sure that program was carried out. So I mention that.

The question that I need to ask, though, is about this very important area of trades and professions in Alberta where, sadly, you know, we are lacking employees. Look. You don't have to read the paper every day to figure out that we have a problem with the number of skilled professionals in Alberta. I think there was a government report, Minister, that specifically said that we would have a shortage of 114,000 employees in fields of popular medicine, where we need them, the trades, et cetera, et cetera, by 2021. On that, I would like to know, you know, what we're doing to make sure that we have more of these students graduating to fill this desperate need in the province.

**Mr. Lukaszuk:** Well, Mr. McAllister, you're wrong again. You should know this as a critic, and if you don't, I would welcome you to actually one day come to my office and sit down, and we'll discuss it in more detail because I think you owe it to Alberta students to actually do that instead of just doing that in front of a microphone. You would then learn that no school in Alberta can cancel a program without first putting that proposal to cancel the program before the minister in writing, and then the minister has to sign off on the cancellation of the program. I can tell you, Mr. McAllister, that no school yet has provided my office with any

proposals to cancel any programs, and as such, obviously, I couldn't have signed off on any. So there you are.

We're going back and forth. You took a good two or three minutes.

**Mr. McAllister:** Yes. Absolutely.

**Mr. Lukaszuk:** Answer number 2, to your trades question. Some steps have been taken. When I spoke with your colleague, I indicated that we have created a passport program so that students find it easier to acquire hours by moving from employer to employer. We have changed the ratios, wherever it is safe to do so, between apprentice and journeyman. We have reserved seats in both of our major technical institutions to keep the seats available for additional students.

What we need to focus on now is to work with our employers to create a climate where they do what would normally seem counterintuitive: hire apprentices during an economic slowdown and train them into journeymen so that when our economy picks up, those workers are ready and available to be hired. It's a difficult thing to do for a business because they have shareholders to respond to. How do you tell your shareholders that you're hiring more staff at a time when you're actually losing projects and your income drops? But if you want to develop your own domestic workforce, focus on the domestic, you need to do that.

We also are working with the federal government relative to the foreign worker program through permanent immigration attraction based on skill sets, but if we want to develop more apprentices, we need to steer young people and get them excited and passionate about trades. There are many programs that deal with that right now, but at the end of the day they need to become journeymen, and to do that, they need the hours of work as an apprentice.

**Mr. McAllister:** Have you given any consideration to the idea put forward by I think it was the Alberta Grad Council of a potential tuition tax credit for grads to stay and work here, particularly in the professions where they're desperately needed?

**Mr. Lukaszuk:** Have we given that any consideration?

**Mr. McAllister:** Yeah.

**Mr. Lukaszuk:** We have given many of these programs consideration, but at the end of the day those individuals need to acquire their employment hours to become journeymen, and that's where the problem is. We don't have an issue getting students into classrooms. As I have indicated to you already, our bursary program is extremely rich compared to not only any other province but the rest of the country combined. That's not where the issue lies. The issue lies in getting young individuals into the classroom and then giving them the opportunity to earn their hours that they require to become a journeyman. That's where we're lacking.

**Mr. McAllister:** Granted, there is definitely a shortage there, but, Minister, the problem that I think everybody is identifying is that if your own government recognizes there's going to be that big shortage of workers – and, again, we're talking about streamlining and limiting options – it probably stands to reason that that number is going to go up. Are you concerned by that?

**Mr. Lukaszuk:** Streamlining and limiting options? What are you referring to? I just indicated to you earlier – and let me say that to you again – that all of our schools that train apprentices into journeymen, which is the area where we have a chronic shortage

of workers, have excess capacity at this point in time and have had it for a number of years.

**Mr. McAllister:** So they could take more students? That is what you're saying?

**Mr. Lukaszuk:** By all means.

**Mr. McAllister:** NAIT gets three applications for every one student it enrolls. Did you know that?

**Mr. Lukaszuk:** But NAIT will not take more students than they can guarantee apprenticeship hours for. The last thing you would want to do is get a young lady or a gentleman into a carpentry program and then not be able to give them the opportunity to earn the hours to actually become a journeyman.

**Mr. McAllister:** Sure. Yeah. On that point we agree, but I think the point that I'm trying to make is that if we have fewer spots available because of what's taking place right now in the grand scheme of things, then that is where the presidents of these universities and colleges are concerned, and they are right to be concerned.

9:35

**Mr. Lukaszuk:** But you're not making a point because that is not the case. Let me say that to you for a third and last time. We have excess capacity, and that capacity will not be diminished as a result of this budget. The problem we have is apprenticeship hours. You choose to deal with fears. I have to deal with facts.

**Mr. McAllister:** No, Minister. I think you may find that tomorrow, when you meet with the presidents – I'm sure you will find it – your eyes are opened to quite a few things, and they're going to tell you that these are issues that they're greatly concerned about.

By the way, the president of Mount Royal University was the one that made the announcement that he was going to have to cancel the nursing program because of a lack of commitment from your government. I didn't make that up. He said that. So when he says that, I generally take it seriously, and you ought to, too, don't you think?

**Mr. Lukaszuk:** Well, I appreciate, as you indicated earlier, that as a member of the opposition you have the comfort of not having to deal with facts but dealing with what you're hearing by way of . . .

**Mr. McAllister:** Well, what would you say to the president of a university who says that he's cancelling a program because of your government? What would you say to him?

**Mr. Lukaszuk:** Let me answer your question. No one has made a decision at this point to cancel any programs in the province of Alberta because I have clearly outlined to you what the process would have to be for that to occur.

**Mr. McAllister:** Do you not think they're going to have to cancel programs when they're looking at 9 per cent less funding?

**Mr. Lukaszuk:** I can tell you at this point in time – and that is the difference between you and me. I have to deal with facts, and the facts are that no one has proposed to eliminate any programs. If the decision is made to propose to me to eliminate programs, we will first make sure that we are not eliminating programs that otherwise could not be accommodated and that this will be a last resort if it has to happen.

I refuse to deal with you on speculations and hearsay and what you read in the paper or what you saw in the news. If you want to deal with facts, make the time in your day, stop by my office, and I'll share the facts with you.

**Mr. McAllister:** I made the time to talk to the presidents of the universities. You ought to, too, before you send them letters of expectation and tell them what to do. They're not real thrilled about that. I think you'll find that out tomorrow.

**Mr. Lukaszuk:** I have met with the presidents and spoken with them at least three times each.

**The Chair:** Bruce, one minute left.

**Mr. McAllister:** Thank you, Mr. Chair. You know, I think the point that needs to be made, that we've been trying to make here for nearly three hours, is that we've put the individuals that run our postsecondary institutions in a real bind. What we've said to them is that, you know, we're going to slash funding by 7 per cent and we're going to renege on a 2 per cent funding promise, and then we're going to say to them: this is what you can do, and this is what you can't do. They are looking at you, Minister, and accusing you of taking away their autonomy. They're looking at you and saying that it's going to affect the classrooms that the students are behind you in and the quality of education that they're able to deliver. Some of these programs, Minister, yes, are going to appear on your desk, and they're going to have to look at cancelling them.

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

Mr. Rogers, please.

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

**The Chair:** Are you going to combine your time?

**Mr. Rogers:** Yes. Thank you, Mr. Chairman. I plan to combine my time with the minister if he so chooses.

**The Chair:** Thank you.

**Mr. Rogers:** Mr. Minister, I want to thank you for your presentation this evening. I have to say that despite the abundance of friendly banter back and forth, I think we've managed to delve into some pretty important topics here this evening.

My questions are going to be around the area of innovation and technology commercialization, and I'm also looking to talk about Alberta Innovates. Mr. Minister, you speak of the need for more commercialization of research, and I'm just wondering what is in Budget 2013 specifically for innovation and technology commercialization.

I'd also like, further, to have you comment on what impact you think this budget will have on the ability to attract some of the brightest and the best researchers to the province of Alberta and to keep them here.

**Mr. Lukaszuk:** Well, to answer your question directly, there is \$184 million in the 2013-14 budget for innovation and technology commercialization. But when we look at jurisdictions that have been successful in commercializing technology and spinning off economic clusters, incubators, and then licensing that technology and actually bringing income back not only to the province but also to the institutes and institutions that do that, they enter into collaborative contractual agreements with other third parties,

which also bring, actually, a majority of the funding along with them.

Mr. Rogers, if you had a chance to see some of the releases I've put out, recently we just signed a framework agreement with Siemens, an international company that deals with research, innovation, and commercialization. That company, astoundingly, files 25 patents per day on average. That's what they do. These are the kinds of partnerships that we need to bring into our province and then find niche research areas and generate that additional income and influx.

I believe that my federal colleague, Minister Goodyear, would agree with me that when it comes to commercialization of applied research, Canada is lagging, and de facto so is Alberta. It simply hasn't been a focus for our country to the degree that it should have been. Ironically, Canadian professors are the most quoted, most cited professors, I believe, in the world. Believe it or not, there are statistics. Somebody tracks that. We have the most quoted academia in the world, but the translation of the research into actual commercial products is lagging.

I think we can do both. We can do the pure research, that ends in being quoted in academic journals. That's very important. That means we have very credible academia. But we can also evolve the applied research and create new clusters, and we have successful models throughout the world where it's happened. If you're looking for sustainable, long-term, high-paying, environmentally friendly industry, that's where you should be heading, and that is our commitment.

**Mr. Rogers:** Well, I certainly thank you for that example, Mr. Minister. Certainly, when we have the opportunity to work with a company like Siemens – you know, you see their name on just about anything, the LRT cars that fly through our community here and many others – I think that's great, but I'm still concerned.

Research by its nature is something that's very tedious, laborious, long, and frankly not all research tends to be as successful as maybe this, the potential out of this kind of partnership. I'm still concerned – and I probably heard it raised by others – that the direction we're heading in has the potential to impact whether other researchers may want to come here, or some that are here that may not be in ventures that are successful as what you've just outlined may not be as keen to ply their craft here. Can you comment? Any thoughts on that?

**Mr. Lukaszuk:** Well, of course. It's a bit of a vicious circle, and you have to start somewhere to realize the benefit, but to attract the academics, you need to first create a climate in which commercial research can flourish. That means you set up a system where those who invest in that research can realize a monetary benefit at the end of that research if it turns out to be positive and commercialized. You create a system where a large share of that profit stays in the province as a benefit to us all and to institutions that enter into that research, and we actually start addressing real problems that exist in our society that we can resolve by applying that research. That can mean agriculture, environment, energy, and the list goes on and on. Then you also have to access the capital to do that, and we have many examples of jurisdictions that have managed to do that.

Now, oddly enough – and I think Mr. Dorward could share some expertise on that – this is one area where there is money lying on the table for investment into research and commercialization, and we have not been reaching out as effectively as we could have in the past for that money to invest into our research. To do that, all those pieces have to be put in place, and what a marvellous Campus Alberta you create by doing that, giving our

academia and our students the opportunity to work in that creative cluster if they choose to. If not, we will continue our commitment to Campus Alberta financially and through other academic pursuits, as we have in the past and will into the future.

9:45

**Mr. Rogers:** Thank you.

Mr. Minister, the budget also indicates that Alberta Innovates: Health Solutions will be transferring to Alberta Health. I'm just wondering if you might share with this committee what the net benefits of this move are to the province.

**Mr. Lukaszuk:** Mostly practical. The commercialization and development of the research will still continue in collaboration with this ministry in all the other aspects of research. For medical research what makes this province really attractive is a number of things. Some of them simply nobody can take credit for because they happened by happenstance.

We are a province of 4 million people, which is roughly the type of population that many medical research institutes are looking for, a great size of a laboratory. We're very genetically diverse, as you know. We have a single-payer model system in our health care system, which means that we have a focused centralized data system that can measure outcomes and provide input data as well into the research. We have – again, this needs to be highlighted – some of the best facilities and academia already in this province to collaborate in that kind of research. So we are poised to be excellent in that area.

But in order to commercialize that research and elevate it, we can only benefit in certain aspects of it if we enter into partnerships with entities that specialize in doing so. As a matter of fact, even though Siemens is moving their energy centre to Calgary, already within the first two or three days they started looking at health. They said: "You know what? We never actually thought of it when we were coming here, but there is a lot of potential in health research as well."

At the end of the day all of us benefit.

**Mr. Rogers:** Thank you.

Mr. Minister, what are your plans for AOSTRA 2, and is this still a high government priority?

**Mr. Lukaszuk:** You bet. You know, some 41 years ago Premier Lougheed made a very deliberate decision. By very focused investment and amendment of government policies he created a climate that allowed for the development of oil sands. Oil sands have been here for millions of years, as they have been in Saskatchewan, spilling outside of the borders of this province. As you know, they hadn't been developed prior, nor have they been developed really, truly since in other jurisdictions. It was creating that climate that allowed for outside investment to come in and do what they do best and extract that resource to our benefit.

AOSTRA 2 is also an initiative to develop the future economy of this province. Yes, the private sector does well what it does. They take over, and they develop that economy, and we should stay as far away from interfering as we possibly can. But if you are evolving a new sector of economic growth, often stimulating is very important through shifting government policies and/or financially inducing that kind of development. Again, we've seen that happen in Boston, in the Silicon Valley, and many other places.

**Mr. Rogers:** Thank you.

**The Chair:** Thank you, Mr. Minister.

Mr. Hehr.

**Mr. Hehr:** Well, thank you, Mr. Chair.

**The Chair:** Are you combining your time with the minister?

**Mr. Hehr:** Yeah. We'll go back and forth.

Other parties have made note of this, and I have as well. We have some of the fewest postsecondary opportunities of all the provinces here in Alberta for our citizens. You know, I look at the net beneficiary of that being institutions like the University of Saskatchewan. And I do note that sometimes when our students go there, they may actually stay in Saskatchewan, get married to a Saskatchewan girl.

I also point out that this has a rhyme and a reason to it, Mr. Minister. You'll see it. They may stay in Saskatchewan because, you know, they actually have a lower unemployment rate than us, this despite having a progressive income tax system, higher corporate taxes, and a PST. Just for all you people who still believe that this panacea wonderment that we have here is all great shakes, remember that they do it all by collecting revenues that can pay today's bills and allow for predictable, sustainable funding and the like. That was my foray back to Saskatchewan.

I'd also point out to the minister that we do have a hundred thousand people moving here per year, but I have yet to meet one who has come here for our tax policy. They come here because we have 25 per cent of the world's oil resources, and they're being developed, and they want a job.

Now that that's off my chest and I've said it for the record, I can move back to what we are here to do. What is our rank per capita across Canada in terms of university spaces for our population?

**Mr. Lukaszuk:** We'll have to get that for you, but you know what? You touched upon a very important observation. You do that once in a while. You know, I'll give you credit for that. I think what you said should start ringing alarm bells not only in your mind but in my mind and everybody's minds around this table. You just made a comment that we offer the fewest opportunities for enrolment into postsecondary education while almost in the same sentence you said – you didn't say it, but you know it to be a fact because that's one of the things we can't dispute, that we have the second-highest funded postsecondary system in Canada. Shouldn't we ask ourselves the question: what is the problem here? If we have the second-highest funded postsecondary education system in Canada, why is it that we don't have the openings, the seats available at a higher rate comparable to other provinces or the second-highest rate of seats?

**Mr. Hehr:** Well, you should know the answer to that. You've been here 12 years. I've only been here five. I can answer that, but you should know the answer to that.

**Mr. Lukaszuk:** I think it's worth examining to see whether the second-highest funding in the country is efficiently invested in such a way that we actually are creating as many seats for students as possible and that we're bringing the cost for students down as low as possible.

**Mr. Hehr:** Well, I'll answer the question for you. The reason why postsecondary costs more – and you should know all your government departments cost more, Minister Lukaszuk – is because we live in a very robust economy with high inflation rates. It costs more to hire a teacher here. It costs you more to build a school. It costs you more to build a road. You know that. I know that. It's a

fact of life of living here, and your budgets necessarily reflect that. If you didn't know that, I'm glad I was able to tell you, but there we go. And if you can find me that information, that would be great.

I know we have a 7.3 per cent reduction in operating grants to our public postsecondary institutes. We didn't see that type of reduction at our private religious institutions. If we're asking all these institutions to share the pain, why is it that these faith-based groups were not asked to share the pain in the same amount as our public nonreligious institutions?

**Mr. Lukaszuk:** You know what? I know that you and I have a fundamental disagreement because you were bringing forth the same arguments in K to 12 education when I had the pleasure of being the minister of that.

**Mr. Hehr:** Well, I believe in being consistent, something your government doesn't.

**Mr. Lukaszuk:** Well, we are consistent because we believe in choice of education, and we think that nothing changes the moment you graduate from grade 12. If you choose to pursue your education further, past grade 12, you should be afforded the same opportunities of choice as you are from K to 12. Private institutions, whether they're religious or not – the religious factor is just, frankly, irrelevant in this – share that pain every year because they receive only 80 per cent of funding compared to public institutions, and their students pay tuition that's probably close to twice the tuition of that of a public educational institution. That tells me that they actually value having that choice if they're willing to pay twice the tuition to attend that school.

**Mr. Hehr:** Okay. I've heard that answer before. It's similar to your answer that was given before.

**Mr. Lukaszuk:** It's still true.

**Mr. Hehr:** I get that.

I guess my question back is that I thought that you were asking the universities now to plan on this next three years of budget cycles that you have created. Well, I thought they were able to do that after the last election. You ran on a 2 per cent increase. I thought that would have been more than enough to plan their three-year budgets. But I guess I'm asking you: what's the point of this exercise when we're basing our revenues on nonrenewable resource revenue? Do you really think about maybe taking it on a one-year approach, given our revenue streams? Why would you make them go through this exercise if you're just going to change it according to what comes in on the price of oil?

**Mr. Lukaszuk:** I think it's a worthwhile exercise, and I think we owe it to ourselves and to our students to ascertain and to satisfy ourselves that we are running truly an efficient system that doesn't overcharge the taxpayer and doesn't overcharge the student for a service that they deliver.

9:55

**Mr. Hehr:** Okay. That's fair enough. But why are you making them plan out a three-year exercise in the budgeting process when you can't tell me from year to year – you obviously couldn't last year – what their funding mechanism is going to be? Why are we playing this game of fooling around? Let's concentrate on this year because we have no idea what's coming in next year or the year after.

**Mr. Lukaszuk:** But it's a fluid process. Every year institutions develop a three-year plan, so it's bumping that, moving one year forward. They don't develop a three-year plan, do nothing for three years, and then three years later develop another three-year plan. Every year they develop a three-year plan. The reality shifts as they continuously develop their three-year plan. It's sort of, you know, like adjusting your compass while you're moving forward. You keep on adjusting. But it's always planning out a three-year plan.

**Mr. Hehr:** So are you telling them in your plans, "Well, you know, I guess you can base them on these numbers, but don't get too married to them because they can change"? Is that your sort of direction to them?

**Mr. Lukaszuk:** That's the sense of reality. The fact that it's, "But you promised me," well, yes, I promised you, and it was very well intended, but facts have changed. They've also changed toward the positive as well. If there is an opportunity to reinvest or even to invest further, that happens just as well. I can tell you right off the bat that if opportunities arise to further invest into postsecondary education, I will be the first one pounding on the Alberta Treasurer's door to say that there are areas I think would make a smart investment, not across the board but smart investment into programs that we know are in demand.

**Mr. Hehr:** It seems to me that if we're going to go to incorporating the Campus Alberta brand across our 26 institutions, this is going to have a cost component if they're supposed to rebrand, if they're supposed to do their stationery, if they're supposed to do everything like that. Has your ministry costed out what this is, and will your ministry be covering this cost, or does that come out of the operational side of our schools' budgets?

**Mr. Lukaszuk:** Again, that will happen over time. You won't wake up tomorrow – you know, I bleed green and gold.

**Mr. Donovan:** Wildrose green?

**Mr. Lukaszuk:** No, I said bleed. That requires you to actually have that substance in you to begin with.

But that doesn't mean, you know, that we rebrand the University of Alberta and all of a sudden it will be a different logo. The fact is that as time moves on, I think it's appropriate to increase the presence of the concept of Campus Alberta. So there won't be any additional expenditures, but as time goes on, we will be asking them to profile Campus Alberta as being proud members of Campus Alberta.

**Mr. Hehr:** Okay. I was just reviewing some things before I came in. It was actually posted in an article in the news. Are you moving towards what I noticed in B.C., where first-year and second-year textbooks are available online? Are you guys moving towards that? That seems like a reasonable initiative.

**Mr. Lukaszuk:** You know what? It's a phenomenal idea. Again, you know, those are the types of efficiencies that we should be looking at. British Columbia has taken a phenomenal step in that they have the 40 most used textbooks available to students online. As a matter of fact, I plan to meet with my counterpart in British Columbia and say: would it be possible for us to put the next 40 . . .

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

**Mr. Hehr:** Okay. Good idea.

**The Chair:** Mr. Luan, you have two minutes and 13 seconds.

**Mr. Luan:** Thank you very much, Chair. Minister, you've been answering lots of questions tonight. It must be very tiring, but I do want to give you the opportunity. I understand that budget is a tool to gain some greater purpose. I surely understand that particularly when you do cut the budget, there is a lot of anxiety and a lot of difficulties that people are experiencing. But here is my question for my constituents and supporters that I'm representing. At the end of the day what are you trying to achieve, those long-lasting impacts?

**Mr. Lukaszuk:** At the end of the day don't allow one year's budget to distract you from a long-term vision. That vision was being built by all 26 institutions in collaboration with this government and with this particular ministry. The vision is such that we want to continuously improve students' experiences not only within one school but within Campus Alberta, give them access to as many program choices not only within their own school but within Campus Alberta, and prepare them for the competitive environment that they will be entering upon graduation while also giving them the access to acquiring education any time – and that's not only from the 9 to 5 time on a clock but any time in their life – anywhere through distance learning and through portability and sharing credits on the terms that are good for them.

Let's not forget that students in advanced education are not all just straight out of high school, who spend a whole day on

campus. There are many single parents, many mature learners, many individuals who juggle work and going to school. We have to make sure that education is portable, accessible, and available to individuals in that kind of a fashion, but we also have to make sure that this excellence that is developed in individual schools is shared among all students so that they can grow upon each other's excellence.

**Mr. Luan:** Thank you so much.

**The Chair:** Thank you very much, Mr. Minister. I would like to thank you and thank your staff for being here tonight.

I would like to thank all members of the committee and their staff.

Also, I'd like to thank the audience who joined us tonight in this room and in the other room to listen and to watch the estimates of the Ministry of Enterprise and Advanced Education.

I apologize for the interruption, but I must advise the committee that the time allotted for this item of business has concluded. I would like to remind committee members that the next two meetings scheduled for the Standing Committee on Alberta's Economic Future are on Monday, April 15, 2013, from 7 p.m. to 9 p.m. to consider the budget estimates for Executive Council and on Wednesday, April 17, from 8 to 10 a.m. to consider the estimates for the Ministry of International and Intergovernmental Relations.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 10:01 p.m.]





