



Legislative Assembly of Alberta

The 27th Legislature
Second Session

Standing Committee
on
Public Accounts

Education

Wednesday, April 15, 2009
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Standing Committee on Public Accounts

MacDonald, Hugh, Edmonton-Gold Bar (AL), Chair
Quest, Dave, Strathcona (PC), Deputy Chair
Benito, Carl, Edmonton-Mill Woods (PC)
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)
Chase, Harry B., Calgary-Varsity (AL)
Dallas, Cal, Red Deer-South (PC)
Denis, Jonathan, Calgary-Egmont (PC)
Drysdale, Wayne, Grande Prairie-Wapiti (PC)
Fawcett, Kyle, Calgary-North Hill (PC)
Jacobs, Broyce, Cardston-Taber-Warner (PC)
Johnson, Jeff, Athabasca-Redwater (PC)
Kang, Darshan S., Calgary-McCall (AL)
Mason, Brian, Edmonton-Highlands-Norwood (ND)
Olson, Verlyn, QC, Wetaskiwin-Camrose (PC)
Sandhu, Peter, Edmonton-Manning (PC)
Vandermeer, Tony, Edmonton-Beverly-Clareview (PC)
Woo-Paw, Teresa, Calgary-Mackay (PC)

Department of Education Participants

Jim Dueck	Assistant Deputy Minister, Program Development and Standards
Keray Henke	Deputy Minister
Dick Meanwell	Director, Financial Reporting and Accountability
Gene Williams	Executive Director, Strategic Financial Services

Auditor General's Office Participants

Fred Dunn	Auditor General
Merwan Saher	Assistant Auditor General
Al Neid	Principal

Support Staff

W.J. David McNeil	Clerk
Louise J. Kamuchik	Clerk Assistant/Director of House Services
Micheline S. Gravel	Clerk of <i>Journals</i> /Table Research
Robert H. Reynolds, QC	Senior Parliamentary Counsel
Shannon Dean	Senior Parliamentary Counsel
Corinne Dacyshyn	Committee Clerk
Erin Norton	Committee Clerk
Jody Rempel	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Communications Services
Melanie Friesacher	Communications Consultant
Tracey Sales	Communications Consultant
Philip Massolin	Committee Research Co-ordinator
Stephanie LeBlanc	Legal Research Officer
Diana Staley	Research Officer
Rachel Stein	Research Officer
Liz Sim	Managing Editor of <i>Alberta Hansard</i>

8:30 a.m.**Wednesday, April 15, 2009**

[Mr. MacDonald in the chair]

The Chair: Good morning, everyone. I would like to call this Standing Committee on Public Accounts to order, please. I would like to welcome everyone in attendance and advise guests that they do not need to operate the microphones as this is taken care of by the *Hansard* staff. I would also like to note that the meeting is, of course, recorded by *Hansard*, and the audio is streamed on the Internet live.

Perhaps before we have approval of the agenda, we can quickly go around the table and introduce ourselves, starting with the hon. Member for Strathcona.

Mr. Quest: Good morning. Dave Quest, Strathcona.

Dr. Massolin: Good morning. I'm Philip Massolin. I'm the committee research co-ordinator, Legislative Assembly Office.

Mr. Jacobs: Good morning. Broyce Jacobs, Cardston-Taber-Warner.

Mr. Vandermeer: Good morning. Tony Vandermeer, MLA for Edmonton-Beverly-Clareview.

Mr. Denis: Good morning. Jonathan Denis, Calgary-Egmont.

Mr. Chase: Good morning. Harry Chase, Calgary-Varsity, 34 years as a teacher and looking forward to questioning the Education ministry this morning.

Mr. Kang: Good morning. Darshan Kang, Calgary-McCall.

Dr. Dueck: Good morning. Jim Dueck, Alberta Education.

Mr. Henke: Good morning. I'm the Deputy Minister of Education, Keray Henke.

Mr. Meanwell: Dick Meanwell, also with Alberta Education.

Mr. Williams: Good morning. Gene Williams with Alberta Education.

Mr. Neid: Good morning. Al Neid with the office of the Auditor General.

Mr. Saher: Merwan Saher, office of the Auditor General.

Mr. Dunn: Fred Dunn, Auditor General.

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

Mr. Fawcett: Hello. Kyle Fawcett, MLA, Calgary-North Hill.

Ms Woo-Paw: Good morning. Teresa Woo-Paw, Calgary-Mackay.

Mr. Olson: Good morning. Verlyn Olson, Wetaskiwin-Camrose.

Ms Rempel: Jody Rempel, committee clerk, Legislative Assembly Office.

The Chair: Hugh MacDonald, Edmonton-Gold Bar.

Item 2 on our agenda is approval, of course, of the agenda that was circulated. Moved by Mr. Chase that the agenda for the April 15, 2009, meeting be approved as distributed. All in favour? Thank you.

Now, approval of our minutes from the meeting of April 8, 2009. Moved by Mr. Chase that the minutes for the April 8, 2009, Standing Committee on Public Accounts be approved as circulated. All those in favour? None opposed. Thank you.

Item 4, of course, on our agenda is our meeting with the officials from Alberta Education. This morning we will be dealing with the annual reports of the Auditor General, both April and October 2008, the annual report of the government of Alberta 2007-08, which includes the consolidated financial statements and the Measuring Up document, and also the annual report for 2007-08 from Alberta Education.

We were the recipients of three additional pieces of information, including annual report highlights and performance of Alberta's K to 12 education system. Mr. Henke, we appreciate receiving that. Thank you very much.

Before we proceed with your opening remarks, sir, I would like to welcome Mr. Mason, who joined us this morning.

Please proceed, Mr. Henke.

Mr. Henke: Well, thank you very much, Mr. Chairman. I am going to use the documents that I distributed to context my opening remarks this morning, and I'm going to start with the one-pager that talks about education and the government of Alberta.

We educate about 585,000 students in 2,054 schools through 41 public school boards, 16 separate school boards, five francophone authorities, 12 charter schools, 103 private schools, and 97 early childhood services private operators. Through all of those options we maintain consistent program outcomes and provide learning and teaching resources that are directly correlated with standards-based programs of study and assessment that ensure fairness and opportunity for all Alberta students.

We develop comprehensive curriculum in all subject areas, including language programs such as French, Blackfoot, Cree, Chinese, German, Italian, Japanese, Latin, Punjabi, Spanish, and Ukrainian. These programs speak to the diversity of our student population by reinforcing language learning in our First Nations students and by ensuring that all students have the opportunity to develop language that will extend their reach in our global world.

We encourage students to find their particular interests and to explore learning through a range of alternative programs, charter schools, outreach programs, home education, and private schools. We have fostered a wide array of choices in our education delivery system and support those choices through technology such as video conferencing, distance learning alternatives, and other technology-enhanced alternatives that expand the capacity of individual schools to provide access to various programs. We appeal to a wide variety of student interests and aptitudes through the study of trades and technology courses, on-the-job training experiences, all of which lead to credentials in trades, technologies, and health careers. This prepares our students to assume their responsibilities as contributing members of Alberta society and to take advantage of employment opportunities or to continue learning in a wide array of postsecondary options.

We engage through partnerships and collaborative initiatives to improve the delivery of programs and services. We engage community members, parents, administrators, and representatives of the business community to assist us in the development of programs of study that meet student needs and are relevant to local and community opportunities. We engage various community-based

organizations to ensure that students have the various supports that they need as they pursue their learning opportunities. Through initiatives like the aboriginal parent and community engagement project we have implemented a three-year pilot project that will strengthen the relationships between FNMI parents, students, communities, and school staff.

Through the year in question we have established the framework to envision improvements in the educational opportunities for students in Alberta. Inspiring Education: A Dialogue with Albertans seeks input from Albertans from all walks of life about their vision for education in Alberta to ensure that students are prepared to take their places as citizens in their community and to take advantages of opportunities in a global world.

Setting the Direction for Special Education in Alberta will create a new framework that addresses the needs of students with unique and special circumstances and create principles, accountabilities, and funding distribution so that these students will be fully integrated and able to take advantage of the learning opportunities available to them.

Speak Out is our Alberta student engagement initiative, which engages Alberta youth by asking them for their reactions to the learning opportunities that they experience. We engage them through regional discussions as well as moderated online forums, where they're encouraged to tell us what they think about their experiences in school, about their hopes and aspirations for the future, about what works for them, and, more importantly, about what does not work for them.

We're continuously exploring new opportunities. We ask jurisdictions to explore new approaches to teaching and learning through the Alberta initiative for school improvement. These innovative projects involve teachers, parents, community members to develop innovative approaches to student learning that address their particular student needs. We have engaged representatives from stakeholder groups in a comprehensive discussion of the research needs to support improved learning for student outcomes.

Having gone through that particular piece of information, I also want to then speak more specifically to the brochure that we handed out about the performance of Alberta's K to 12 education system. It is one of the brochures that we distributed. I just want to take you through what we believe is a very comprehensive summary of the outcomes for the education system. This particular chart systematically presents both our achievements and also our year-over-year improvements. We believe that it adds value both in terms of comparing our accomplishments – and when I speak of our accomplishments, I'm not speaking just to the ministry; I'm speaking to the whole education sector, which includes the jurisdictions that I referenced earlier – and differentiating those accomplishments in terms of comparison against standards to establish the achievement and also a comparison year over year to establish whether we're getting better, staying the same, or, in fact, declining.

There are 16 summary measures in the chart related to the three goals in our business plan. Seven of those measures rely on survey results from students, administrators, teachers, and parents. Nine of the measures are a summarization of various quantitative measures that we collect.

8:40

When you look at the leftmost column in that particular chart under goal 1, which is high-quality learning opportunities for all, you'll see that we have a number of measure categories, and then we have specifically articulated the measures in the measure column. Under goal 1 we measure safe and caring schools, a survey measure that asks students if they feel safe in our schools and asks the

teachers and parents if they believe that the students are safe and treated fairly. We have achieved very high results in the year in question, and in the improvement column you'll see that our results have improved significantly year over year.

The program of studies measure is another survey measure that asks students and teachers and parents about opportunities to learn in a variety of subject areas. Again, when you look at the coloured columns, we have achieved high survey results, and in the improvement column we continue to improve significantly.

The measure labelled Education Quality is a survey measure that asks students, parents, and teachers to rate the quality of education that is provided in our schools across this province. Again, you'll see in the achievement column that we've achieved high results, and you'll see in the improvement column that we've improved significantly. These coloured columns are really just a visual depiction of the results that you see recorded in the previous three columns.

The dropout rate is a calculated measure that tracks the percentage of students that drop out of school before completing grade 12. We've achieved only intermediate results, and we've maintained those results year over year. We would argue that in the year in question, which was a year of very robust economy for this province, while we're not particularly proud of those results, we're pleased that we were able to maintain those results in the context of an economy that was attracting students into the workforce.

The high school completion measure is a calculated measure that tracks the percentage of students that complete grade 12 within three years of starting grade 10. We achieved only intermediate results, but we would like to point out that we have improved those results significantly over the previous year.

Those are the measures that we have chosen as representative of the measures of our achievements of goal 1.

When we go on to goal 2, excellence in learner outcomes, this is a goal where we are able to take most of the measured, or calculated, results. The provincial achievement test results at the acceptable level is a summary of the provincial achievement test results in grades 3, 6, and 9 for all subject areas where we administer those achievement tests. Our results are lower than we had targeted, and they've declined over the past years. This is obviously an area of concern not only to the ministry but to all schools within our province. We have undertaken specific initiatives to determine both what contributes to that decline and how we can implement programs that will remediate that in the future.

Provincial achievement tests at the excellence level is, again, a summary of the provincial achievement test results in grades 3, 6, and 9 for all subject areas. We achieved only intermediate results, but these results are improving year over year.

Diploma examination results at the acceptable level: again, it's a summary of results for all students who write these exams for all subjects in grade 12. We've achieved intermediate results, but these results, again, have declined over the previous year.

The diploma examination results at the level of excellence for all students who write these exams in all subjects in grade 12 for the year in question are very high. They have declined significantly from the prior year, and this is a concern that, again, we are pursuing with our various jurisdictions.

The diploma exam participation rate measures the participation rate of grade 12 students in at least four diploma examinations. Our achievements are at the intermediate level, but they are improving.

The Rutherford scholarship eligibility results are a measure of the percentage of students who qualify for Rutherford scholarships based on the results of their grade 12 examinations. These results are high, and they continue to improve significantly.

The transition rate is a measure of the rate at which students who have completed grade 12 continue on to engage in some form of postsecondary education. This is important for us because we believe in lifelong learning, we support lifelong learning, and we accept responsibility for ensuring that our students are prepared to engage in postsecondary opportunities. We've achieved a high rate of transition, and this continues to improve significantly.

Work preparation under goal 2 is a survey measure that asked teachers and parents about their satisfaction with the attitudes and behaviours that are taught to students. Based on those survey results, we've achieved a high satisfaction with this measure, and it continues to improve significantly. Citizenship, again, is a survey measure that asks students, parents, and teachers about the attitudes of respect and community engagement. We're pleased that we've achieved a high result with this measure, and we continue to improve significantly. Those are the measures that we use to indicate our achievement of the strategies and goals with respect to goal 2.

Under goal 3, a responsive and responsible education system, we measure parental involvement, a survey measure that asks students and parents and teachers about their involvement and their satisfaction with the opportunities for involvement. We've achieved intermediate results, but these have improved significantly year over year. School improvement is another survey measure that asks students about their attitude about their school and asks parents and teachers about their perception of the quality of education at their local school. Our achievements here are high, and they continue to improve significantly.

All of these measures are replicated for each of the jurisdictions, and we can provide that information if it is of interest to you. All of these measures are related back to measures that you'll find in our annual report.

With that, I'll conclude my opening remarks and turn it back to you, Mr. Chairman.

The Chair: Thank you. I appreciate that. We in the Public Accounts Committee also have a performance measure on which departments are concise and have their opening remarks within the 10-minute time period.

Mr. Saher.

Mr. Saher: Thank you, Mr. Chairman. Some brief comments. The results of our audit at the Ministry of Education are on page 241 of our October 2008 public report. On that page we state that the ministry's 2008 net assets would have increased by \$2.7 billion had the school jurisdictions been consolidated line by line. We now know that line-by-line consolidation will not be used for the fiscal year just ended. If committee members are interested in this development, we would be pleased to provide details.

The results of our audit of the Northland school division and summary information regarding financial reporting and audit results of all school jurisdictions begin on page 215 of our April 2008 public report.

On page 381 of the October report we list recommendations made to the department that are not yet implemented. Committee members may want to ask management about progress on these recommendations, particularly on improving school board budgeting processes – that was recommendation 25 in the 2006 report – and developing minimum standards and best practices for school board interim financial reporting, and for fulfilling financial monitoring responsibilities. That was recommendation 26 in that 2006 annual report.

Thank you.

The Chair: Thank you very much.

We'll get to questions here straightaway. Mr. Chase, please, followed by Mr. Fawcett.

Mr. Chase: Thank you. While the Education ministry considered it acceptable to divert \$17 million of public tax dollars to prop up private schools, whose per-pupil grants jumped from 60 per cent to 70 per cent of per-pupil grants for public schools, and according to page 138 of the annual report awarded \$2.3 million in executive bonuses, no money could be found for supporting the Learning Commission's recommendations of full-day or half-day kindergarten. My first question: what are the criteria used for determining how achievement bonuses are allocated?

Mr. Henke: Achievement bonuses, Mr. Chairman, within the department are based, first, on the development of performance contracts for each employee, on the articulation of specific measures for the achievement of those individual performance goals, and then based on an assessment by the supervisors and by the divisional leaders in the department as to whether the individuals have achieved their performance goals and have achieved them either to the standards which we would expect or have exceeded those standards. All of the results of those measures and those assessments are reviewed by the executive team, and the executive team then creates the recommendations on the bonuses to be distributed to individual staff members.

8:50

Mr. Chase: Thank you. My follow-up question: in the interests of transparency and accountability to taxpayers will the department provide a breakdown to the Public Accounts Committee on the directors, DMs, ADMs, and EAs who received achievement bonuses and the amount they received?

Mr. Henke: Certainly, I think that we can provide some information about the percentage or number of staff that have been rated at various levels, whether it's outstanding, superior, or at the quality level. We can certainly give you the total amount of the bonuses that were awarded in those various categories. I don't have that information with me, but I can provide that.

Mr. Chase: I appreciate your willingness to provide that information. Thank you.

The Chair: Thank you.

Mr. Fawcett, please, followed by Mr. Kang.

Mr. Fawcett: Thank you, Mr. Chair, and thank you very much for coming today to appear before the committee. My question surrounds accumulated operating surpluses by school boards. I'm wondering if we know as of the fiscal year that we're talking about what the total operating surplus is amongst school boards, including those that are being held at individual schools. Do we track that? Is there any way to track that?

Mr. Henke: Well, the material that you're asking about is available in each of the individual jurisdictional financial statements, and those individual jurisdictional financial statements are part of the annual report as well, so we do have by jurisdiction the accumulated operating surplus as attested to by the audited financial statements for each jurisdiction at the year ended 31st of March. Obviously, we then accumulate that, and we can tell what the total accumulated surplus for all jurisdictions is. In the year in question, if I'm not

mistaken, we had only two jurisdictions – one or two; I'm not sure which – that had accumulated operating deficits. All of the rest had surpluses.

Mr. Fawcett: My supplemental question is: are there particular guidelines that school boards must follow to ensure that those operating surpluses are spent in an appropriate manner? Depending on how that school jurisdiction allocates money to schools, I guess the concern is about who has control over those operating surpluses and where they're spent. I know that in tough economic times like this, when we're having to make tough budget decisions, you know, every resource that we're able to allocate is important. What are the guidelines around how much of an operating surplus a school board can use? Are there any repercussions or consequences if they're over that or below that?

Mr. Henke: Well, from our perspective we would recommend that jurisdictions have approximately 4 per cent as an accumulated operating surplus, and that is not a mandatory. That's not a standard. That's a guideline that we would present to the jurisdictions to enable them to deal with unanticipated circumstances during the year in question.

Having said that, many jurisdictions have more than 4 per cent; some have less. Again, those operating characteristics or those operating conditions will depend on whether or not they've encountered particular challenges in the year in question and also whether or not they are planning for future expenditures and therefore are accumulating cash in their operating surpluses because they know that they have some equipment replacement issues to deal with or are saving their money in order to invest in technology improvements. So there are a variety of reasons why jurisdictions will in fact accumulate operating surpluses. We recommend that they keep at least 4 per cent available to deal with unanticipated circumstances, but in addition to that, they may anticipate that they have expenditures in future years that they need to save money for.

The Chair: Thank you.

Mr. Kang, please, followed by Ms Woo-Paw.

Mr. Kang: Thank you, Mr. Chair. The Auditor General recommended in 2004-05 and again in 2006-07 to implement a system to evaluate the savings of the Learning Resources Centre. The Learning Resources Centre buys books at discount due to the large scale of books: AG's report 2006-07, page 46. Given that the cost of sales was \$4.6 million greater than anticipated, why is there an increase of \$4.6 million?

Mr. Henke: The Learning Resources Centre is, I think, unique in Canada because we provide an opportunity for school jurisdictions to benefit through bulk-buy programs and through a consolidation of purchasing programs. The success of that centre is well known to our neighbours to the west, so British Columbia has in fact participated in that program with us as well. That increase in cost of sales relates to the fact that we also work with the province of British Columbia, and we've supplied materials to schools within the province of British Columbia. That increase is not an increase that decreases our profits. In fact, it was an increase in cost of sales that was matched by revenues that we achieved from the province of British Columbia.

Mr. Kang: Okay. What is the current status of the AG's recommendations? Is the centre able to quantify the amount of savings achieved?

Mr. Henke: We have in fact provided the office of the Auditor General with an update on the report of the savings. The calculated savings that we have achieved is \$2.9 million for the year in question. So we have responded to the Auditor General's concerns and their request for more information about the assessment of the savings due to the operation of that Learning Resources Centre.

The Chair: Thank you.

Mr. Saher, a supplemental?

Mr. Saher: Yes. I'd just like to go on record as saying that for that recommendation which the member was exploring, it's very likely that in our public reporting in October we will conclude that it has been implemented.

The Chair: Thank you.

Ms Woo-Paw, please, followed by Mr. Mason.

Ms Woo-Paw: Thank you, Mr. Chair. In 2008 your ministry committed us to the P3 acquisition process, and now the company selected to build the schools has gone bankrupt. I'd like to know how the ministry is handling this.

Mr. Henke: Well, in fact, the company that has been contracted to finance the schools that we're building under the P3 process has not gone bankrupt. Babcock & Brown headquartered in Australia has declared bankruptcy, but Babcock & Brown headquartered in Australia was not the partner that we contracted with. We contracted with Babcock & Brown Public Partnerships. It's a separate organization. The only thing that it has in common with Babcock & Brown in Australia is, in fact, those two words in the name.

So Babcock & Brown Public Partnerships is still an operating entity. We have secured the financial conditions necessary to ensure that those schools that we have contracted for will be delivered. The financing is in place. The schools are under construction. We have contracted with that operating entity to make sure that the payment stream is appropriate to the delivery of the schools that we've contracted for.

Ms Woo-Paw: Thank you. So there would not be a major impact on the buildings?

Mr. Henke: There's no impact.

Ms Woo-Paw: Thank you.

The Chair: Thank you very much.

Mr. Mason, please, followed by Mr. Denis.

Mr. Mason: Well, Mr. Chairman, that's disappointing. We do not normally pose hypothetical questions, but this gives rise to one. What if it was the other Babcock & Brown that you had contracted with that did go bankrupt? What measures do you have in place for such an eventuality?

The Chair: We're going to be quite brief on this. If, Mr. Mason, there was to be a financial situation like that, the province, as I understand it, would still have the site, would still have the building if it had been started, and life would go on. We're not dealing with hypothetical situations here.

Mr. Mason: Well, thank you for that answer, Mr. Chairman, but I would like to ask the deputy minister what provisions are in place in

this P3 contract in case of a failure of the contracted party to fulfill its obligations?

9:00

Mr. Henke: If I may, certainly, I don't consider that a hypothetical question. It is a question that we consider during the contracting process. We have ensured that we have got sufficient contractual provisions in place to guarantee that we either have, as the chairman has indicated, the capital infrastructure that we've contracted for and paid for and provision to replace that contractor if that contractor was in fact to be deficient, and we have contractual guarantees in place to ensure that we will realize the benefit of that particular investment.

Mr. Mason: Okay. For my supplemental. If, in fact, you had to replace a contractor in this situation or another P3 situation, what guarantees do you have against losses that the department might incur in the process of replacing the contractor?

Mr. Henke: Well, I'm not sure that we would incur losses. We may incur some costs in terms of replacing, and we don't necessarily have a capacity to warrant ourselves against those costs. But that is a hypothetical, and I wouldn't be able to address that with any degree of definitiveness.

The Chair: Thank you.

The chair would like to remind members that those contracts for the P3 schools are on the Internet. They're certainly on the Infrastructure website. I don't know if they're on the Department of Education's website. But I would encourage you to have a look at them on some long spring evening. Thank you.

Mr. Denis, please.

Mr. Denis: Thank you very much, Mr. Chair. I didn't really have a very good spring morning today. It was a little cold.

Now, not hypothetically speaking, I do have a specific question. I want to know if the ministry can comment on the performance of ESL students in the kindergarten to grade 12 system? You've talked about many different languages. I'd like to see if you have any performance measures in place there.

Mr. Henke: Well, Mr. Chairman, we have in fact compared the performance of students who benefit from ESL programs with the rest of the students in the province, and we have noted that the students who are receiving ESL program supports typically don't perform as well as the provincial average. We have therefore worked with jurisdictions to ensure that those supports that are provided to English as a second language students are robust, and we have in the year in question increased the funding and the amount of coverage to those students. Where we used to fund for five years, we now fund for seven years.

We have also worked with the Calgary board of education particularly, because they have the majority of our ESL students, to develop various programs that are specifically oriented and focused on dealing with those English as a second language supports that are necessary to ensure that students integrate as quickly as possible into the regular classroom and, where they can't integrate, are provided with the necessary programmatic supports so that they can perform against the standards that we have developed for Alberta Education.

Mr. Denis: Just a brief supplemental, Mr. Chair. What performance measures do you have in place specifically to track these students?

Is it any different than other students, or do you use the same performance measures?

Mr. Henke: We use the same performance measures, but what we can do is that we can subset that demographic so that we can compare, whether it's PAT 3s, 6s, 9s, or our diploma exams, whether those students perform against the averages for Alberta students. We also look at performance measures such as their participation in these various things, and those participation rates are going up. The achievement rates, although they have been below, are increasing. The other correlation analysis that we do is that we have done some analysis of ESL students related to grade level of achievement to see if they're overrepresented in the grade level of achievement reports that we get from jurisdictions.

Mr. Denis: Thank you.

The Chair: Thank you.

Mr. Chase, please, followed by Mr. Quest.

Mr. Chase: Thank you. Alberta's high school dropout rate of over 25 per cent continues to be among the highest in Canada. The handout on the accountability pillar overall provincial summary states that the dropout rates continue to be an area that requires attention. Has ministry research shown a higher percentage of dropouts who have learning disabilities such as ADD, dyslexia, or insufficient ESL background? If so, what is being done to address this?

Mr. Henke: Well, I'd just like to clarify, Mr. Chairman, that the dropout rate is not 25 per cent. The dropout rate is 5 per cent. If we go back to the chart that we alluded to earlier, the dropout rate, which is not the same as high school completion, is 5 per cent.

The high school completion rate, which is a different measure, depends on the number of years that you choose to select. In the chart that I referred to earlier, we were talking about a high school completion rate within three years of entering grade 10. We follow the students as they enter grade 10 longitudinally, and we can say with certainty that 71 per cent of the students who enter grade 10 finish grade 12 within three years. If you extend that to four, five, or six years, then you will get different rates of completion. In fact, when you look at the Stats Canada surveys, I think about 95 per cent of people who are in the age group of 24 to 35 would indicate that they have completed the equivalent of high school. So over time students choose to disengage; they re-engage. Most of our students, in fact, have the equivalent of high school.

Now, to the second part of that question, which says: are those students who have disabling conditions more likely to drop out? That's certainly true, and it depends on the nature of the disabling condition. Some students who are unable in their minds or in the minds of their caregivers to deal with grade 12 in the way that we traditionally envision it will drop out. We have a special program for those students, not to give them a high school diploma which is the same as other high school diplomas but one which offers them a certificate of completion. For those students who are unable to deal with the material that we provide in grade 12, some of those age-appropriate materials, we still have a recognition program to recognize that they have completed, under their individual program plans, the various commitments or undertakings that they have committed to.

In terms of your question as to other supports that are available, there are a variety of supports, whether it's technological supports, whether it's services and supports in the classroom, that are there to

ensure that we take advantage of them to support students in terms of their individual learning needs.

Mr. Chase: Thank you. I appreciate the clarification between direct dropout and lifelong learning in a high school setting.

For the record I'd be interested in knowing if the percentage of ESL students failing to complete high school within the three-year program time allotment is still in the area of 75 per cent.

The question that I would like to ask here is: how much funding went specifically towards reducing both on- and off-reserve aboriginal student failure to complete rates, and how was the funding allocated?

Mr. Henke: I can't provide you with the funding in response to the question that you're asking because we don't provide funding in that way, or we certainly don't count it in that way. We provide the jurisdictions with an additional grant for each of the self-identified First Nations students, and those jurisdictions then use that additional supplementary funding to provide supports and services that are specifically focused on improving the achievement and engagement rates for their First Nations students. The grant rate for the year in question was \$1,093 for each self-identified First Nations student. But having said that, we also know that the achievement rates and the engagement rates for those First Nations students are well below provincial averages, and that's a particular concern for us. You will have seen that in our business plan for this year. It's not the business plan that we're dealing with today. We are focusing particularly on developing programs that will support those students because we don't believe that we are in fact serving those students well.

Mr. Chase: Thank you.

9:10

The Chair: Thank you.

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

Mr. Quest: Thank you, Mr. Chair. Just going back to Mr. Saher's comments a little bit earlier here. We were talking about page 241 of the October '08 report, back to the \$2.7 billion: "line-by-line consolidation, the Ministry's capital assets would have been fully consolidated so net assets," et cetera, would have increased by \$2.7 billion. You had said earlier that if any of the members wanted more details. I would love to hear more details.

Mr. Saher: Right. So the first question, perhaps, is: why a delay in introducing line-by-line consolidation?

Mr. Quest: Yes.

Mr. Saher: The reason for the delay is that the Public Sector Accounting Standards Board, which determines the appropriate standards for government, recently – I don't have the precise date – made an adjudication that the deadline for implementing line-by-line consolidation would be extended by one year, and based on that extension the government of Alberta has chosen to take up that extension. So line-by-line consolidation for the SUCH sector, which includes education, will occur for the first time in the year ending March 31, 2010. It had originally been anticipated that that would occur in the fiscal year that has just ended.

Just in summary, there's a one-year delay in implementing line-by-line consolidation, and in the interim the government will continue to use what is called modified equity accounting to bring

the results of the school jurisdictions into the Ministry of Education's results and then the government consolidation.

Mr. Quest: Okay. Thank you. Just a supplemental. Going back to Mr. Fawcett's question earlier about the individual boards and the surpluses, your response was that some of this was for anticipated expenses in future years or that could be used for anticipated. I'm just wondering what an example of that might be. They're accumulating this money for something, but typically when you accrue through a year-end, you accrue for something specific. I'm wondering, again, what an example might be of an anticipated expense.

Mr. Henke: Well, in some jurisdictions, for instance, they run their own transportation systems, and they have to renew the equipment for those transportation systems on a regular basis, but you won't buy a bus every year, or you won't renew all of your buses every year. You won't renew your noninstructional space, whether it's your administrative space or your bus barns or those kinds of things. They may be planning for a significant technology investment, so they may be accumulating or pulling some of those surpluses aside on a year-to-year basis with a specific plan to invest significantly in some year in the future.

Mr. Quest: So they are accruing for specific expenditures, then.

Mr. Henke: Well, that would depend on the circumstances of the individual board. I mean, we don't challenge them to justify their accumulated operating surplus, but when we have talked to them about their accumulated operating surpluses, we've gotten responses such as the ones that I've given you in terms of their making appropriate business plans in the context not just of the single year in question but of a three- to five-year business planning period.

Mr. Quest: Great. Just as long as we're having those conversations. That's why the question. Thank you.

Mr. Saher: Mr. Chairman, if I could just add one more comment. With respect to line-by-line consolidation there is a very informative schedule in the ministry's financial statements. If members have the statements available, it's page 115 of the ministry's annual report. On that schedule, which explains how the school jurisdictions are currently brought into the consolidation on the equity basis, there is lots of other information which would enable members to take a view on how the line-by-line consolidation will be effected when that is brought in.

The major number there is tangible capital assets. At the end of March 2008 the information there is that the tangible capital assets in the school jurisdictions totalled approximately \$3 billion, and essentially that's the number that will come into the line-by-line consolidation as a separate item. There are also other liabilities that will come in line by line. But the big change to the line-by-line way of doing the consolidation is to bring those tangible assets right into the ministry's assets.

The Chair: Thank you very much.

Mr. Kang, please, followed by Mr. Vandermeer.

Mr. Kang: Thank you, Mr. Chair. On page 75 of the annual report 2007-08, \$47.8 million more was spent on school maintenance, school renewal, and modular classrooms than the previous year. What is the current backlog for school maintenance?

Mr. Henke: Well, the backlog for school maintenance will depend on the assumptions that you make about standards for maintenance.

Certainly, as this committee has noted in the previous discussion with the Ministry of Infrastructure, we have a condition index supplied by the Ministry of Infrastructure that speaks to the condition rating of all of the schools in this province. That condition index is updated every five years. Only 3 per cent of the schools in this province, in fact, are rated as poor under that condition index rating, so 97 per cent of the schools in this province are rated as at least acceptable or superior in terms of that condition index rating.

Having said that, we haven't got an estimate of the deferred maintenance. I think that's what you're referring to. We provide \$96 million per year spread across all jurisdictions to deal with infrastructure maintenance renewal, and we also have a number of capital projects that are focused on specific major maintenance or major renewal projects.

The assessment of whether or not we have a large or moderate deferred maintenance is also dependent on whether you're including in that estimate the reconfiguration or reprofiling of schools to meet current needs. Some of the schools which were built a number of years ago will be in reasonably good condition from a facility perspective but no longer meet the program requirements of the particular jurisdiction, either because they don't have the technology or because their classroom configuration doesn't lend itself to appropriately supporting the programs of study in place today.

Do I have a number on the deferred maintenance? I do not. Do I think that our schools are in good condition? I do. Are we working on continuing to sustain the deferred maintenance that we're aware of? We are.

Mr. Kang: You know, you counted so many things that you're doing with the schools, like reconfiguration and all those other things. Is that \$96 million, whatever you're providing, is that enough money to do all of the work, and how much of that funding was granted to rural school maintenance projects?

Mr. Henke: First question: is the \$96 million sufficient? We would certainly take from our jurisdictions and the information that jurisdictions give to us that the \$96 million is not sufficient to do all of the deferred maintenance that they would like to do. Is it appropriate in the context of the capital budget that we have available? I think it's the right allocation of resources because if we take money away from new schools in emerging neighbourhoods, then we're incurring additional bus times and we're incurring additional transportation costs. So we're having to make priority decisions between building new schools, reconfiguring and redeveloping existing schools in some jurisdictions, and maintaining the school infrastructure that we've got. We're trying to sustain an appropriate balance between those competing needs.

We also use our allocation for the steel frame modulars to enable schools to react to changing school populations so that we provide the capacity for schools to add capacity to their existing schools.

The Chair: Thank you.

9:20

Mr. Vandermeer: I know that you touched on this a bit already. My concern is the dropout rate. You were saying earlier that you were holding your own, but according to page 39 the dropout rate has gone up ever so slightly. What are you doing to keep these students in school? The other thing I notice is that it says here: Annual Dropout Rates of Students Aged 14-18. My understanding is that you must go to school at least until you're 16. Do you have numbers on those 14- and 15-year-olds?

Mr. Henke: To answer your last question first, I don't have the numbers immediately available, but certainly we can get the numbers of 14- and 15-year-olds. Yes, the law states that you must go to school until you're 16, but we still have people who do drop out and don't re-engage immediately, or they will drop out at the age of 14 and they will re-engage in response to the processes that we have in place. We have an attendance board, and we bring cases of failure to attend school to the attendance board. We engage families and communities in terms of making sure that those students do re-engage, and in most cases we're successful but not in every case.

In terms of your broader question about what are we doing about the dropout rate, we have created programs that are specifically oriented to those students who are most likely to drop out or most likely at risk of dropping out. Those are our knowledge and employability courses. We've updated the curriculum for those courses, and we've updated the learning and teaching resources that are available to those students because we believe that students will drop out if the course material that they're being presented with is not relevant to their lives. If we can make something that's more relevant in terms of preparing them for employment opportunities or preparing them for some other kind of postsecondary engagement – we've updated our CTS curriculum, and we've invested heavily in the re-equipping of our CTS labs and our CTS shops.

We've also commissioned or we fund outreach schools. These are schools that will actually go after students who are not engaging and not completing grade 12 and work with them to develop programs of studies and also develop timetables that are more conducive to keeping them in some kind of engaged educational opportunity. Some of these students will be working part-time. Some of these students are supporting dependents. We need to work around their schedules as much as they need to work around our schedules.

All of those programs are programs that we fund jurisdictions to deliver. We also work with distance education to allow students to work online, to work from home, to work in whatever community setting is appropriate to their particular needs.

Mr. Vandermeer: Do you feel that you're having success there with getting these students back?

Mr. Henke: Well, I think that we're having success if you look at longer time frames. If you take high school completion for instance, the three-year completion rate is 71 per cent, but if you take different time frames and survey those students, we do re-engage those students. They do complete high school, and our completion rate goes up to the point where Stats Canada would tell us that for the 24- to 35-year-olds over 90 per cent self-report that they've completed the equivalent of a high school education.

Do we think that we're doing it as well as we could or should? Absolutely not. We have a focus in all of our jurisdictional business plans and strategies on trying to ensure that we keep those students in school, because they're not going to complete if they don't stay in school, and that we then improve their achievement while they're in school.

The Chair: Thank you.

Mr. Mason, please, followed by Mr. Jacobs.

Mr. Mason: Thank you very much, Mr. Chairman. Mr. Deputy Minister, I want to go back to a pamphlet that you referred to in your comments, specifically with the student learning achievement in both K to 9 and 10 to 12. The measure of students who performed at an acceptable level in K to 9 has declined significantly. I also notice that in terms of class sizes while other grades are below the

targets, in K to 3 the class sizes still exceed the guidelines. I wonder if you could comment on whether or not you feel that there is a relationship between those things and what the department's plans are to bring the K to 3 class sizes into line with the guidelines.

Mr. Henke: Well, I can't comment on the relationship between class size and the decline in performance because we're still trying to ferret out what those undermining circumstances or underlying factors are, so I don't have that answer for you.

In terms of the reasons why we're not able to achieve the Commission on Learning guidelines for K to 3, we have a variety of challenges. We built schools that were configured for 25 students per classroom, and in fact we're now trying to achieve a 17-student average cross-jurisdiction, so we need to add capacity at the school level. We're also dealing uniquely in Canada with an increasing student population. So we're having to build more spaces for more students, and we're also having to achieve lower class sizes with the existing spaces that we've got.

We're experiencing a specific increase in the student population in the K to 3 grade levels. These are the students who were recently born, or they're sons and daughters of immigrant populations that have come to Alberta because of our robust economic circumstances. So while our grades 9 to 12 student population or class sizes are dropping because that bubble is aging through, we're experiencing significant growth and significant increases in the growth in the K to 3 population, so we need more classrooms, we need more teachers. We're not able to hire as many K to 3 teachers as we need, and we need to be able to configure those classes so that we can in fact accommodate those class sizes.

In terms of your question about what we do, we continue to fund the class size initiative. We continue to send the money out to the jurisdictions to enable them to achieve those class sizes.

Mr. Mason: Okay. Thank you. In terms of the steps that you're taking to, as you say, ferret out the causes for the decline in the diploma acceptable level and diploma excellence level and acceptable level in K to 9, I'd like to know a little bit more about what steps you're taking to determine the reasons for that decline and when you expect to have a better handle on that situation.

Mr. Henke: Well, the steps that we're taking now are that we have assigned staff members to specifically review with jurisdictions the jurisdictional experiences around those things. We're doing the research in terms of researching the relationship between the achievement level of the student population and other specifics, whether it's because there's a correlation between increasing their participation in the job market. Many of our students work part-time now, so they've got various demands on their time and demands on just their availability. So we're looking at various factors that might contribute to whether or not we can create circumstances that will turn that achievement level around.

The Chair: Thank you.

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

Mr. Jacobs: Thank you, Mr. Chairman. I'd like to ask a question to the deputy on sustaining small and rural schools, specifically small rural schools, because I represent a constituency where sustaining small rural schools is somewhat of a problem for many of my people. As you know, when a rural community loses a rural school, it has a tremendous impact on the community, a negative impact on the community, because many community activities focus around the school. My questions to you, Deputy Minister, are: what

are we doing as a department to address this problem? It is a significant problem in many communities, and many parents and parent committees are working hard to maintain their schools. What are you doing to help sustain small and rural schools?

9:30

Mr. Henke: Well, Mr. Chairman, we provide additional funding over and above the regular per-student funding for small schools by necessity, and that's directly focused on the issues that were raised where there are schools that serve sparsely populated rural areas where we simply can't provide, with the per-student funding, an appropriate array of opportunities for those students. We provide additional funding in that context.

Additional funding isn't the only answer, as you know better than I. I was educated in one of those small schools, and I continue to be sympathetic to the needs of the small schools. We're also providing technology. We're providing video conferencing; we're providing mobile CTS labs that will enable small schools to still participate and the students in those small schools to continue to participate in the wide array of opportunities that are available to all Alberta students. If you've got a small school that has one or two high school students who need a particular course, whether it's physics 30 or math 31 or one of those very specific courses, they can get that course in their community through participation either online or through video conferencing. If it's a CTS course, we've got CTS labs that will move from community to community and enable the students to partake in those kinds of opportunities.

Mr. Jacobs: One supplemental on the same subject, Mr. Chairman. I acknowledge what you say and know that the department is doing that and school boards are doing that, and I think that's good. The problem I see is that parents like to have the ratio of students to teachers at a reasonable level. I don't think many parents yet are accepting the idea of video conferencing or other technological developments to educate their students. They still want the hands-on with the teacher in the classroom. So the problem I see is, you know, getting parents to buy into this so that we can continue to sustain and operate these schools. What are you doing to alleviate this problem, or do you see it as a problem?

Mr. Henke: Well, certainly, we are not suggesting that any of the options that I spoke to earlier are a replacement for teachers. The students are still in need of supervision by an educated, professional teacher who can support them in their learning. In many of the jurisdictions that I'm familiar with, with very small schools and very sparsely populated areas, we have very low teacher-student ratios. I mean, there are only maybe 14 students in a class, and that might be a multiple-grades class. So it's not that we're closing schools in order to achieve high student-teacher ratios. It's simply a circumstance of the sparsity of the population. I'm not sure that I'm answering your question adequately or appropriately.

I don't have the capacity and I don't think this government has the capacity to provide one-on-one teacher-to-student participation in those very sparsely populated rural communities. So we need to supplement, and that supplementation means that even though the jurisdiction may not have a teacher trained in advanced mathematics or physics or science, there still is a teacher on site that knows the basic pedagogical requirements and learning needs of that student. They can work with a teacher from away and provide the knowledge base and some of the learning supports that are necessary to ensure that that student can learn at his or her own pace.

We are also, then, focusing on workforce reskilling because the teachers who are working with those kinds of technologies need

different skill sets in order to make sure that that technology works well with them and for them.

The Chair: Thank you.

Mr. Chase, please, followed by Mr. Drysdale.

Mr. Chase: Thank you. Closing schools, whether rural or urban, is a traumatic experience for everyone involved. The pressure placed on school boards to close schools by the province's space utilization formula, which has not kept pace with class size reduction initiatives, has been intense. My question: when was the last time that the space utilization formula was updated? I would be appreciative if members of this committee could receive copies of that most recent revision.

Secondly, what has been the process for consulting with school boards and collaborating with school boards for reviewing this formula?

Mr. Henke: To answer your question, I don't know the last time it was updated, but certainly we'll provide that information to the committee.

What I will say is that we are not using the space utilization formula as any kind of a barrier or hurdle or screen or filter in order to determine the priority with which we address infrastructure investment proposals. What we're doing is we consult with school jurisdictions, and we ask the school jurisdictions to tell us what their priorities are. They're going to base their priorities on their community growth, their student projections, and we support them and help them with a fairly robust student forecasting model. Our primary concern is the safety of the students, so we make sure that we look at those condition index reports, and we work with jurisdictions to establish which of their facilities need to be renewed in order to address the presenting needs of their students and their projected student populations.

We're very respectful of the priority that the jurisdictions are attaching to their infrastructure requirements. We're not using the space utilization formula as a tool, if you will, to force those kinds of prioritization. Inherently, though, where jurisdictions are experiencing school crowding or an inability to meet class size guidelines because of the structure of the facility, they're going to put those kinds of projects at the top of their priority list.

Mr. Chase: You didn't touch on the . . .

The Chair: Mr. Chase, excuse me. You already asked two questions. I'm sorry.

Mr. Chase: Okay. I got one answer.

The Chair: No. We're going to move on.

Mr. Drysdale, please.

Mr. Drysdale: Thank you, Mr. Chair. I have some questions about literacy and numeracy skills. Specifically, in your Measuring Up report here on page 24, at the top, you know, it concerns me that only 66 per cent of grade nine students achieved acceptable standards in math. I guess my question would be more general, like: what is being done in the kindergarten to grade 12 education system to ensure that Alberta students have strong literacy skills?

Mr. Henke: Well, if I might, Mr. Chair. First, the issue around literacy is a pan-Canadian issue. It's not a specifically Albertan initiative. So we in conjunction with the Council of Ministers of

Education participated in a pan-Canadian forum on literacy last year. The point of that forum was both to emphasize in the community and across Canada the need for further discussion about literacy at all ages and also to exchange information between jurisdictions about how to address literacy issues. Following up that pan-Canadian conversation about literacy, we are developing a very specific framework – we don't have it finished yet – to focus on the literacy needs in the K to 12 system.

Our language arts curriculum already addresses the literacy needs of the students in the K to 12 system. Our professional development with teachers is focusing on the resources necessary to ensure that students are successful in learning and are meeting their requirements in terms of the standards for literacy in this province and in this country. We have focused specific resources on English as a second language to make sure that those people who are not presented as having English as their first language get the necessary additional supports that they need in order to improve their literacy.

Mr. Drysdale: Thanks. My supplemental. I understand that you held a literacy forum last year. What information do you have from that forum about the literacy of Albertans?

9:40

Mr. Henke: Well, as I said, Mr. Chairman, we did certainly participate in a pan-Canadian literacy forum last year. The results of that particular literacy forum I believe are available online. We're using the results and the information that we gained from other jurisdictions in order to develop our own literacy framework for Alberta. There's a provincial literacy framework, and then within that provincial literacy framework there's a portion focused specifically on the K to 12 system. We're going to use that to ensure that we reinforce literacy skills in all of our subject materials. It's not just a language arts issue. It's a capacity to deal extensively or appropriately in the English language but also in mathematical terms, in scientific terms, all of those terms across all of our subject areas.

The Chair: Thank you.

Mr. Kang, please, followed by Ms Woo-Paw.

Mr. Kang: Thank you, Mr. Chair. In a January 2008 news release it states that "investment in new school infrastructure, as well as modernization and maintenance, [increased] to more than \$610 million for the 2007/08 fiscal year." In the same article it states that funding will be used for 102 school projects in planning, design, or construction stage, 13 new schools opening in 2007-08, 45 modular classrooms, and 32 P3 schools. Given that there was only a \$47.8 million increase in school infrastructure, what explains the high number of new capital projects and only a small rise in the funding?

Mr. Henke: Well, Mr. Chairman, the amount of funding would be the funding that was focused in that particular year. Most of our infrastructure projects are stretched over a number of years, so the small increase of funding, I would expect – I'm not quite sure about the background for that newspaper article – was probably the preliminary funding for the planning and design of those schools, but the construction would extend over two or three years. Typically our disbursement of the traditionally funded capital projects is 10 per cent in the first year for planning, design, and site preparation, and then 40 per cent, 40 per cent, and a final 10 per cent. The 40 per cent and the 40 per cent in years two and three deals with the major construction effort because we pay as the contractor builds, not up front, not in advance.

Mr. Kang: The \$47.8 million went to school maintenance, too, I believe. How much of the funding out of the \$610 million went to the 32 P3 school contracts?

Mr. Henke: I don't believe that in the year in question any of the money went to the P3s. We're talking about the year ended March 31, 2008, and there were no disbursements that would have gone to the P3s because we were still in the request for quotes, the request for proposal stage. We wouldn't even have signed the contract until September of 2008, so there would have been no advances or no monies other than some very basic design funding that would have gone for the standard core schools that we were developing, and that wasn't allocated to that project because that was a standard core school design process that we were going through at that time.

Mr. Kang: Thank you, sir.

The Chair: Thank you.

Ms Woo-Paw, please, followed by Mr. Mason.

Ms Woo-Paw: Thank you, Mr. Chair. I'm very, very pleased to learn about the initiative that your ministry has put in place in terms of addressing removing barriers for at-risk students and early support for language development. I'm talking about the preschool program, the two-year preschool program. I'm very excited to learn that the ministry has put this in place. Since this is not a mandated program, my question is about whether the ministry has developed and used a systematic process to identify and outreach the targeted population. This is not a mandated program, and the kids are not in our system. So is there a systematic process in place to actually, I guess, identify these students?

Mr. Henke: Well, first, I'm going to just approach it by saying that 97 per cent of the youth, the young children, take advantage of some kind of engagement with our early childhood services program. Given that 97 per cent access these programs, we believe that we've got pretty good coverage in one form or another. They're either going to some form of kindergarten or they're being provided with programmatic supports in terms of the early childhood services, the program unit funding programs that we provide for as young as two-and-a-half-year-olds.

Do we go out and actually try to find children that are not accessing those programs? No. We have no systematic process of going out and trying to find those students who aren't accessing. But it's only 3 per cent of that student population, so we believe that we're getting pretty good coverage. The jurisdictions – now I'm separating the department from the jurisdictions – certainly go out there and try to encourage those very young students to partake in some of those programs because the jurisdictions want to make sure that when those students come to grade 1, they're on a level playing field, they're appropriately grounded so that they can take advantage of the grade 1 opportunity.

Ms Woo-Paw: I hope you don't count the next one as a question. Can you tell me the age group of these kids who would qualify for these programs? Are they in kindergarten already, or are they prekindergarten?

Mr. Henke: Well, we have programs that are available to the mild or moderately disabled children as young as two and a half. So it depends on the presenting conditions of the students. They can be provided supports at the age of two and a half. Quite often those are in-home supports. They're not necessarily in a classroom setting

because a classroom setting for a two-and-a-half-year-old is probably not appropriate, but as young as two and a half, certainly at three and a half, and then by the age of four and a half or five they're then integrating into a kindergarten setting.

Ms Woo-Paw: Can I ask my second question?

The Chair: Yes.

Ms Woo-Paw: Does the ministry have a plan to develop measurements to monitor and evaluate the progress of this initiative?

Mr. Henke: They won't be measurements in the way that we measure progress in the grades 1 to 3 system. They're not going to be knowledge measurements. What they're going to be are measurements in terms of age-appropriate developmental experiences. Most of those measures are based on trained parental observation. It's usually where we provide opportunities for parents or we provide information for parents that says: what are the age-appropriate things that your child should be doing? Whether it's recognizing shapes, recognizing colours, some kind of language proficiency, we can use that. We've got a province-wide early development indicators project under way that will look at those preschool children and do a complete and comprehensive analysis of the early development indicators for the students, and it will also do a community supports profile that will measure where the community supports are for those young children.

Ms Woo-Paw: Thank you.

The Chair: Thank you.

Mr. Mason, please, followed by Mr. Olson.

Mr. Mason: Thanks very much, Mr. Chairman. I'd like to ask a couple of questions about home-schooling. First of all, I'd like to know how many students are currently being home-schooled, what the trends are in terms of the numbers and so on, and whether or not the department tracks the performance of students that have been home-schooled and measures that against those that participate in the regular school system.

Mr. Henke: Are we looking up the number of students? We don't have it, but we'll provide it.

Mr. Mason: Okay.

Mr. Henke: It's a fairly small percentage of the total.

In response to the last part of your question: do we track? We can track – oh, we do have the numbers. The number for the year ended 2006 was 1,616. That was approximately the same as the previous year, 1,667. That was a significant reduction, and I don't know why that was, but in the year 1999-2000 we had 4,000 students in home-schooling. So from 2000 to 2006 we reduced that to less than half.

9:50

Now, do we track them in the same way that we track students that are in what I might just term as a regular school setting? We don't unless they participate in our provincial achievement tests or unless they participate in the same program of studies that the supervising school is providing. Where the home education program chooses to design their own program of studies that is inconsistent with what we have mandated for the standard school delivery, we can't compare the results because they're simply not comparable on

a year-over-year basis. Where those home-school programs are correlated with the programs of studies in grades 3, 6, and 9 and they choose to participate in the provincial achievement tests, we can track their relative performance.

From most home-school studies that I'm familiar with and the conversations that we've had with home-schooling individuals, they cover the same materials, but they'll cover it in different time sequences; they'll cover it in different age cohorts. By the end of grade 12 most of those home-schooled students have at some point or another transitioned into the regular schooling program, and their transitions have typically been successful. Our assessment from that would be that they are learning and that they're achieving at relatively the same rate because they are able to integrate into the regular school program.

Mr. Mason: Thank you.

The Chair: Thank you. Mr. Mason, we're going to move on, please.

Mr. Olson.

Mr. Olson: Thank you. I have a couple of questions that you've already touched on to some degree. One is regarding the kindergarten to grade 3 group and the class size. I notice that's the one place where you haven't met your target of 17. Recently I was at a meeting with a group of school board representatives from central Alberta, and there seemed to be a common thread in a number of issues that they raised, one being this threshold of 17 and whether that's the right number. I'm wondering whether you can comment on the challenges that you're running into in meeting that threshold and whether there is any consideration of changing that.

Mr. Henke: Well, I guess I'm not going to be so bold as to suggest that 17 is the right number or not the right number. I think you could say that it's 18, it's 16, it's 15. It depends on the composition of the classroom, quite frankly. Different complexities in the classroom will suggest that a different proportion of teacher supervision is appropriate, and that's why we've got it as a jurisdictional average as opposed to a classroom limit.

The challenges, though, I believe, in terms of meeting that classroom guideline are not necessarily in the composition of the classroom; it is more in the ability to attract staff. We have had a challenge in getting staff to work in the K to 3 system, and we have an unprecedented growth in the K to 3 student populations. We didn't anticipate early enough that we were going to need that many K to 3 teachers, and it takes four years to develop a teacher if you start from scratch. We are bringing teachers in from outside of province, but some of those teachers don't necessarily want to go into the K to 3 system, and even if they do, they're not necessarily well grounded in the Alberta curriculum or programs of studies. Therefore, there's some supplementary training that is necessary in order to engage them.

Do we have challenges? Absolutely. Are we addressing those challenges? I believe that we are, and we've certainly emphasized it with our jurisdictions. Is it an easy thing, particularly in rural areas? It is not, because if you've got 20 students in a particular school in the K to 3, do you split that into two classes of 10, or do you in fact allow one teacher with perhaps some supplementary assistance to deal with 20 kids in the classroom?

Mr. Olson: Do I have time for a quick supplemental?

The Chair: Sure.

Mr. Olson: The second question again relates to the conversations that I was involved in at this particular meeting, and it related to transportation. I'm looking through your materials, and I don't see a line item anywhere that just relates to transportation. I can imagine that it's probably part of operating support, so there's no number. But it seems that in rural areas transportation – well, actually, not just in rural but in urban areas, too. I'm more concerned – I guess this would be particularly in urban areas – about a threshold of 2.4 kilometres, that being a number that came from somewhere ages ago. It's a number that kind of impacts the way many boards have to operate and some feeling that that should be looked at as well. Transportation is a huge issue for the rural areas in terms of keeping our schools open and so on. I know it's a big cost, but is there a number somewhere? You know, does that number change? How do we arrive at the transportation support number?

Mr. Henke: The number for the year in question is \$249 million for the whole system, for the whole province. The number is derived through the combination of eligible students, and eligible students are those students who live more than 2.4 kilometres away from their resident school and the number of kilometres travelled. Every jurisdiction, not just your jurisdiction, has identified to us that transportation is an issue. It's an issue because in growth communities we don't have schools in the right places, and therefore we're transporting students long distances. In sparsely populated communities we don't have an appropriate catchment area in order to provide schools in all of the communities, and therefore we have to transport those students. It is an issue that we are addressing within the department, and it's something that the parliamentary assistant, Janice Sarich, is working with us on in terms of looking at all of the options that we have in terms of transportation funding.

What we have done in the year in question was to make sure that we provided appropriate software for every jurisdiction so that we can now capture information on a comparable basis. Having captured that information, we can use that data to do the analysis that we need to do in order to address the kinds of questions that you're asking.

There are differences in transportation in terms of programs of choice, in terms of resident jurisdictions. We've got a very large manual on transportation funding, and we provide transportation funding to different students, whether they are severely disabled students that have different transportation needs or the regular student population. But, certainly, it is an area that we're addressing.

The Chair: Thank you.

We still have members interested in questions. Unfortunately, we do not have any more time, so we are going to ask the members to again read their questions into the record. Mr. Henke, if you and your officials could respond in writing not only to these questions but to the previous requests through the clerk to all members, we'd be grateful. We'll start with Mr. Chase.

Mr. Chase: Thank you. Each year the ministry spends millions of dollars on the preparation, distribution, and evaluation of end of the division, end of the year, out the door, grades 3, 6, 9, and 12 standardized achievement tests. In 2008-2009 how much money was invested in beginning of the year or mid-term diagnostic testing?

Secondly, in the 2008-2009 year was any consideration given to at least reducing the 50 per cent value of the grade 12 departmental exam?

The Chair: Thank you.
Mr. Mason.

Mr. Mason: Thanks very much, Mr. Chairman. Of the two questions I'd like answered, the first one deals with home-schooling. I would like to know what, if any, deviations from the provincial curriculum are permitted in home-schooling situations as well as the policy regarding evaluation of students who are being home-schooled, including their participation in provincial achievement examinations.

The second question. I would like to know what measures have been taken by the department to promote equality of opportunity by gender, especially in senior management positions in the department?

10:00

The Chair: Thank you.

Mr. Kang, do you have any more questions?

Mr. Kang: Yeah. I'd like to know what portion of the \$4.23 billion in operating support was dedicated to special-needs programming. What portion of the funding went to FNMI-specific programming and the funding levels of these programs: up or down from the previous years?

The Chair: Thank you very much.

That concludes this portion of our meeting. Mr. Henke, I would like to express our gratitude on behalf of the entire committee to you

and your officials this morning for your answers and wish you the very best in the current fiscal year as you deliver our programs and policies for the students.

Thank you.

Mr. Henke: Thank you.

The Chair: You are free to go while we conclude the last items on our agenda.

Item 5, other business. Seeing none, I would like to remind the members that we do have a member of this committee who is working hard organizing the Premier's prayer breakfast next Wednesday. That breakfast seems to always occur at the same time as a Public Accounts meeting is scheduled. I did send a letter on behalf of all members as chair to the organizing committee, recognizing that some of us cannot attend and that those who will be in attendance may have to leave early so they can get to our meeting. So that has been done.

I would like to remind you that we have our meeting, of course, next Wednesday, April 22, with Alberta Health and Wellness at the usual time.

If there are no other items, may I have the motion to adjourn? Mr. Denis. Thank you. All in favour? Seeing none opposed, thank you very much.

[The committee adjourned at 10:02 a.m.]

