



Legislative Assembly of Alberta

The 27th Legislature  
Third Session

Standing Committee  
on  
Public Accounts

Education

Wednesday, February 17, 2010  
8:30 a.m.

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

**Standing Committee on Public Accounts**

MacDonald, Hugh, Edmonton-Gold Bar (AL), Chair  
Rodney, Dave, Calgary-Lougheed (PC), Deputy Chair

Anderson, Rob, Airdrie-Chestermere (WA)  
Benito, Carl, Edmonton-Mill Woods (PC)  
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)  
Calahasen, Pearl, Lesser Slave Lake (PC)  
Chase, Harry B., Calgary-Varsity (AL)  
Dallas, Cal, Red Deer-South (PC)  
Fawcett, Kyle, Calgary-North Hill (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)  
Weadick, Greg, Lethbridge-West (PC)  
Woo-Paw, Teresa, Calgary-Mackay (PC)

**Also in Attendance**

Xiao, David H., Edmonton-McClung (PC)

**Department of Education Participants**

Pat Cox	Director, Capital Planning
Jim Dueck	Assistant Deputy Minister, Accountability and Reporting
George Lee	Director, Budget and Fiscal Analysis
Dick Meanwell	Director, Financial Reporting and Accountability
Michael Walter	Acting Deputy Minister

**Auditor General's Office Participants**

Merwan Saher	Acting 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
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, February 17, 2010

[Mr. MacDonald in the chair]

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

We will now quickly go around and introduce ourselves. Perhaps we will start with the hon. Member for Wetaskiwin-Camrose.

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

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

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

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

**Mr. Vandermeer:** Good morning. I'm Tony Vandermeer, MLA for Edmonton-Beverly-Clareview.

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

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

**Mrs. Cox:** Good morning. Pat Cox, Alberta Education.

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

**Mr. Walter:** Good morning. Michael Walter, Alberta Education.

**Mr. Lee:** Good morning. George Lee, Alberta Education.

**Mr. Meanwell:** Dick Meanwell, Education, financial reporting.

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

**Mr. Saher:** Merwan Saher, Acting Auditor General.

**Mr. Weadick:** Good morning and welcome. Greg Weadick, Lethbridge-West.

**Mr. Sandhu:** Good morning. Peter Sandhu, MLA, Edmonton-Manning.

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

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

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

Item 2 on our agenda, the approval of the program for this morning's meeting. Mr. Sandhu.

**Mr. Sandhu:** Yes.

**The Chair:** Moved by Mr. Sandhu that the agenda for the February 17, 2010, meeting be approved as distributed. All in favour? Thank you. None opposed.

Approval of the minutes of the February 10, 2010, meeting. Mr. Chase, do you have a question about the minutes?

**Mr. Chase:** I was just going to approve the minutes if someone else had not already done so.

**The Chair:** Oh, okay. Thank you for that. Moved by Mr. Chase that the minutes for the February 10, 2010, Standing Committee on Public Accounts meeting be approved as distributed. All in favour? Thank you very much.

This, of course, comes to our next item on list, our meeting with the officials from Alberta Education. We certainly appreciate your time this morning. For the benefit of members and everyone else we will be dealing with the Auditor General's reports from April and October of 2009; the annual report of the province of Alberta from 2008-09, which includes the consolidated financial statements; and, of course, the Alberta Education annual report from 2008-09. I would like before we invite Mr. Walter to speak to remind everyone of the briefing material prepared for the committee by the LAO research staff and the brochures that have been provided by Alberta Education.

Mr. Walter, would you like to make a brief opening statement, please?

**Mr. Walter:** Yes, I would, Mr. Chairman. Thank you for the invitation to attend the Standing Committee on Public Accounts. I'm going to open my remarks this morning in relation to a one-page handout about K to 12 education in Alberta. The handout focuses on five themes that are reflective of our commitment to Alberta students.

We educate 584,000 students in 2,096 schools through 62 public and separate school boards, five francophone authorities, 13 charter schools, 125 accredited private schools, and 102 early childhood service private operators.

Our curriculum is second to none, and in the past few years we have updated and implemented new social studies, math, career and technology studies curricula, updates that are relevant to today's students and lay the groundwork for their success.

While our program outcomes are consistent across the province, we strive to provide as much access and choice as possible to help students learn. Whether it's learning and teaching resources in various languages, including French, Blackfoot, Cree, Chinese, German, Italian, Japanese, Punjabi, Spanish, and Ukrainian, or improved English as a second language learning resources and assessment or improved resources for students with vision loss through the vision education Alberta website and through more timely access to Braille textbooks and other equipment, our goal is to ensure fairness and opportunity for all Alberta students.

We encourage students to find their unique interests and to explore learning through a wide range of alternative programs, online programs, outreach programs, home education, and private schools. We support these choices through technologies such as video conferencing and distance learning resources. We also support technology in the classroom initiatives such as emerge one-to-one laptop learning and innovative classrooms, which look at new ways to engage learners.

We also encourage students to explore career interests through career and technology studies and online job training experiences leading to credentials in trades, technology, and other careers. This prepares Alberta students to be contributing members of society and to be actively engaged in their learning, and it encourages them to take advantage of employment opportunities or to continue with their postsecondary learning. An example of this is last year's

WorldSkills competition, where Education provided funding that helped more than 59,000 students and supervisors experience the competition first-hand.

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 and studies that meet the needs of students. We do this through strategies such as the aboriginal parent and community engagement project, a three-year pilot project that will strengthen relationships among First Nations, Métis, and Inuit parents, students, community, and school staff. We've also forged an FNMI partnership council to guide the future direction of FNMI education in Alberta and close the achievement gap between aboriginal and nonaboriginal learners.

We envision by engaging Albertans through Inspiring Education: A Dialogue with Albertans, which seeks input from people from all walks of life about their vision for education in Alberta over the long term, 20 years from now. We recognize that students are the future leaders of our province and that education is the foundation of the future civic and economic success of Alberta. We need to ensure that students are prepared to take their places as citizens in the community and to take advantages of opportunities in a global world.

We envision a new future for students with unique and special circumstances through the Setting the Direction for Special Education in Alberta consultation, which has created a new framework that provides for students to be fully integrated and able to take advantage of learning opportunities available to them. And through Speak Out, a student engagement initiative, we're engaging Alberta youth through regional and online forums, an annual student conference, and a minister's student advisory council. They're encouraged to tell us what they think about their experiences in school and their hopes and aspirations for the future, about what works for them and, just as importantly, what does not work for them.

We explore new approaches through initiatives such as the Alberta initiative for school improvement, projects that involve teachers, parents, and community members in developing innovative approaches for student learning. The goal of AISI is to improve student learning through initiatives that enhance student engagement and performance and reflect the unique needs and circumstances of each school authority. We work closely with school jurisdictions, educators, teachers, parents, and students, other government ministries, and the community at large to lay the groundwork for student success in the future. We are proud of the work that we do for Alberta students, but we also know that we need to continually assess the performance of the K to 12 system to ensure it's accountable for its results.

That brings me to the brochure that we handed out about the performance of Alberta's K to 12 education system. This brochure includes a chart representing our achievement level and our year-over-year improvements. It adds value in terms of recognizing the results of the education system as a whole and comparing those results against achievement standards and against the prior three-year average to determine whether we're improving, maintaining, or declining. There are 16 summary measures in the chart that relate to the three goals in the 2008-2011 business plan: goal 1, high-quality learning opportunities; goal 2, excellence in learner outcomes; and goal 3, highly responsive and responsible ministry.

Of the 16 measures, seven of them rely on survey data from students, administrators, teachers, and parents, and the remaining nine are based on test results and student outcomes calculated from administrative data. I'll touch on a few of the measures in this document. For goal 1 we measure safe and caring schools, a

measure that asks students if they feel safe in our schools and asks teachers and parents if they believe students are safe and treated fairly. We have achieved high results in 2009, and you'll see that the results have improved 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 subjects. Again, when you look at the coloured columns, we have achieved high results, and 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 the province. You'll see in the achievement column that we've achieved high results and in the improvement column that we've improved significantly.

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 intermediate results, and we've maintained those results year over year.

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 have achieved only intermediate results but continue to work on a comprehensive strategy to address this.

#### 8:40

The next group of measures in the chart are related to goal 2, excellence in learner outcomes. We see significant improvement on provincial achievement tests at the excellence level in grades 3, 6, and 9.

We've achieved intermediate results on diploma examinations at the acceptable level. These results have been maintained over the previous year.

The diploma examination results at the level of excellence are intermediate. They have declined significantly from the prior year. This is a concern that we are pursuing with school jurisdictions. 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 the decline and how we can implement programs that will remediate it the future.

The diploma exam participation rate measures the participation rate in at least four diploma examinations. Our achievement is at the intermediate level, which has been maintained over time.

The Rutherford scholarship eligibility results are intermediate. There was insufficient data to calculate improvements or overall evaluation this year due to a change in how the measure was calculated in 2008.

The transition measure tells us the percentage of high school students who enter some form of postsecondary education, including apprenticeship training. This is important because we believe in and support lifelong learning, and we accept responsibility for ensuring that our students are prepared to engage in postsecondary studies. We've achieved a high rate of transition. This continues to improve significantly.

Under goal 3, a responsive and responsible education system, we measure parental involvement and school improvement. This is done through surveys with parents, students, and teachers. On both these measures we've achieved high results and have seen significant improvement year over year.

All of these measures are replicated for each of the jurisdictions. We can provide that information if it is of interest to you. As well, all measures are related back to measures that you can find in the annual report. It is important to note that the measures are used by school authorities as they look at ways to improve programs for

students. School authorities report the results back to the communities and use them to develop their three-year education plans.

A couple of notable achievements by Alberta students that we don't include here but are significant are achievements on national and international assessments. We're very proud that Alberta 13-year-old students achieved the highest marks in Canada in science, tied with Ontario for second place in mathematics, and ranked third in reading on the 2007 pan-Canadian assessment program test.

Grade 4 students in Alberta placed fourth in the world in science and at the international average in mathematics on the 2007 Trends in International Mathematics and Science Study.

As you can see, Alberta students are consistently demonstrating success, and that's thanks to excellent teachers, curriculum, and commitment of school boards, government, and stakeholders to making Alberta's K to 12 system the best in the world.

At that point I will conclude my opening remarks, Mr. Chairman, and turn it back to you.

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

Mr. Saher, have you any comments for us at this time, please?

**Mr. Saher:** Yes, very briefly. Thank you. Mr. Chairman, the results of our audit of the Ministry of Education are contained on page 177 in our October 2009 public report. In that report we agreed with the department's conclusion that the Learning Resources Centre provided a net saving of \$2.3 million to the school sector. Summary information regarding financial reporting and audit results of all school jurisdictions begins on page 99 of our April 2009 public report.

We have not made any new recommendations to the department this year. On page 338 of the October 2009 report we have listed three recommendations made to the department in previous years that are still outstanding. Committee members may want to ask management about the progress made in implementing the recommendations to improve school board budgeting processes. That was recommendation 25 in our 2006 report, and recommendation 26 in that report was to develop minimum standards and best practices for school board interim financial reporting and monitoring.

Thank you, Mr. Chair.

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

The chair would like to recognize and welcome Mr. Dallas, Ms Calahasen, Mr. Anderson, and Mr. Xiao this morning. Good morning to you all.

We're going to proceed with questions now from Mr. Kang, please, followed by Ms Woo-Paw.

**Mr. Kang:** Thank you, Mr. Chair. My question is: what involvement did the ministry have in addressing the school boards' deficits or surpluses in the 2008-09 fiscal year; that is, what action was taken to improve the school boards' budgeting practices?

**Mr. Walter:** In terms of the school boards' surpluses and/or deficits we have a guideline that says that school boards should keep 2.5 per cent of their operating expenses in reserves. For many of our boards and charter schools they will be above this. The majority are. There are a few that fall below this.

School boards do manage, again, their finances and look in their three-year plan relative to what expenses they might be incurring over the three years, and they will in certain years put away money to look at purchasing buses, technology, these sorts of things that they have to budget for. Other years, of course, they will overspend relative to that because of the fact that they're purchasing the things that they've planned for.

The role that we play in the ministry, of course, is that they provide us with their budget report forms, that are analyzed by our staff. They review these. We are in contact with those jurisdictions where we see that there might be a forthcoming deficit. They are in fact allowed to fund a deficit by providing a plan to the minister.

Our role, again, is to be in communication with the jurisdictions to ensure that their financial statements show that they are in good standing, in line with that 2 and a half per cent guideline that we have.

**Mr. Kang:** There was money clawed back from school boards. How will that have an effect in the future on schools and school boards? Will they be very enthused to save, or will they just spend like crazy, you know, because they think they're going to lose it anyway if they don't spend it? Will the ministry provide the committee, in writing, with the school boards' deficits and surpluses over the last five years?

**Mr. Walter:** I believe we can certainly provide that information relative to school boards, how their fiscal health has looked over the five years. We do track that, so I believe that, yes, we can provide that.

The decision in August, which I believe that you're referencing, relative to a clawback of school board reserves was done very carefully. No school board was put below 3.25 per cent of their operating expenses, meaning that, again, we left every board after that in very solid financial shape. Those who were below that figure did not participate in that particular exercise.

As well, no board lost more than 11 per cent of their overall surplus. In terms of what was in reserves at the time, that we based the decision on, this was well over \$400 million that was sitting in the unrestricted reserves of school boards. This doesn't include restricted or capital reserves, which I believe would have driven that number up over close to \$700 million.

The result of that decision is that our school boards are still in very solid financial shape. No board, I'll restate, was asked to provide more than 11 per cent of what was in their accumulated operating surplus. I still believe, as does our minister, that school boards do what is in the best interests of their communities. They have a plan relative to what their surpluses are for, and I don't believe that that particular action will change what those plans are. In fact, they continue to represent their communities and use the dollars that are provided wisely. I would expect that they would continue to do that.

**The Chair:** Thank you.

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

**Ms Woo-Paw:** Thank you, Mr. Chair. My first question is from your 2008-09 annual report on page 77. The ministry surveys students, parents, teachers, school board members, and the public in terms of their satisfaction relative to public education. It's very good to hear that students and teachers are relatively satisfied, I think, with the performance; however, school board members, the public, and parents did not meet your target of a 65 per cent satisfaction rate. Because I've been reading these kinds of reports for the past couple of years now, I'm more interested to know whether your survey probed into the areas of sources of dissatisfaction from these target groups. What strategy does your ministry develop to follow up and respond to their concerns?

8:50

**Mr. Walter:** For that question I'll defer to Dr. Dueck.

**Dr. Dueck:** The surveys are strictly related to the satisfaction of people that we do not have the opportunity, then, to go in depth and find out what all of the reasons are. What we do is provide the information back to the school jurisdiction as well as to the school and then expect that they will drill down to find out where there are needs and put that into their education plan, that they prepare every year, where there is, indeed, a significant need that has been determined.

**Ms Woo-Paw:** I'll have to combine my next two. Does the ministry know, indeed, that the school boards are actually doing that, are drilling into those concerns, or are they just leaving it at that 30 per cent of, you know, unknown?

Also, I'm very pleased to hear that one of the top goals of the ministry is to have a highly responsive ministry. Now that our urban areas in Alberta have a 25 per cent population of immigrants, I'd like to know whether our Ministry of Education is providing leadership and support to the school districts to better involve and include people who do not speak English fluently.

**Dr. Dueck:** Yes. The department has a field services group who go and meet with each of the jurisdictions to review their plans and also to make sure that the areas that have come out as areas of issue or concern are being addressed. We expect that they will be able to incorporate the improvements within the year that they're working in, and if there are concerns that persist, then the department will be involved in taking further responsive actions to those jurisdictions.

**The Chair:** Thank you.

Mr. Chase, please, followed by Mr. Bhardwaj.

**Mr. Chase:** Thank you. Alberta has the highest suicide rate in the nation. On page 6 of the 2008-09 Education annual report it states that the ministry implemented the initiative, in quotes, taking action against bullying in collaboration with the ministry of children's services. The same page reports that an interim evaluation of the six schools that had the parent link centres showed fewer referrals for problem behaviours and fewer out-of-school suspensions. My first question. What emphasis did the initiative place on the bullying of homosexual students, and what was specifically done to address students who are bullied because of their sexuality?

**Mr. Walter:** We have worked very closely with our fellow ministries relative to the antibullying initiative, that does provide a comprehensive framework for all aspects of, I guess, a student's experience in a school. Again, we didn't differentiate. There is differentiation relative to the different types of youngsters that come into our schools, including the ones that you have referenced. I will have to provide more information back to you relative to the results on that, Mr. Chase, but it was something that we worked very closely with.

In addition to that, again, it's part of the school boards' overall responsibility as delegated in the School Act. They have the responsibility to ensure that they are providing a safe and caring environment for their students in the school which, again, is all students. They are expected to take action where a student's rights have been violated, the rights that are outlined in the School Act, to ensure that all of our students' experience in school is a positive one.

**Mr. Chase:** Thank you. I have concerns with the passing of Bill 44, that allows students to be absent in discussions of gender. I'm afraid that some of these kids who are going to be absented by their parents may be part of the bullying force. Was any action taken to report on

the incidence of bullying in regard to sexuality? If so, what were the results? If not, how does the ministry gather data on bullying to determine where or how to focus its efforts?

**Mr. Walter:** Again, the responsibility falls to our school boards to provide that safe and caring environment. Within that also it's delegated down, of course, to principals, who have the supervisory responsibility in their schools to ensure that the students are feeling safe and caring, as indicated in the previous question on our results, and feel that they can come to school ready to learn and participate in the activities within the school building.

Again, school boards are also responsible for things like suspensions and expulsions where behaviour has not been what is set out in policy by the particular board. The information we would have would be when a board has taken action relative to a student's behaviour and then that decision by the board, Mr. Chase, was appealed to the minister for review. So we would have information relative to the number of expulsions that are referred to the minister for action. In terms of specific tracking that school boards do, although we do liaise with school boards and are in contact with them relative to their activities, I don't believe that we would have that specific information.

**Mr. Chase:** Thank you. Whatever criteria you have, if you could circulate it through the clerk to all members, that would be appreciated.

**The Chair:** Mr. Bhardwaj, please, followed by Mr. Anderson.

**Mr. Bhardwaj:** Thank you, Mr. Chairman. Gentlemen, thank you very much. My questions are around funding and course completion. Your annual report indicates an increased per-student funding to school districts for self-identified First Nations, Métis, and Inuit to \$1,143. It went up from \$1,093, yet the results are significantly lower. What is being done? When you compare the results to other school districts, their results are significantly lower. What is the ministry doing to close that gap?

**Mr. Walter:** We know that the achievement level of our First Nations, Métis, and Inuit students is below the achievement level, as you've indicated, of our non-FNMI students. As you've indicated in your question, we do provide \$1,155 per self-identified First Nations, Métis, or Inuit student to school jurisdictions. This money is intended to be pooled at the local level to allow school boards to develop programs that will meet the needs of their First Nations, Métis, and Inuit students. The expectation is, again, that they will be in close contact with their communities, with the surrounding areas relative to the specific needs to be handled within those programs. That funding, in addition to the base funding that we provide, is intended to be direct support for providing those programs.

In addition to that, under the leadership of our minister we have implemented a new goal in our business plan, which is success for First Nations, Métis and Inuit students, which includes a partnership council that was recently announced by the Minister of Education in conjunction with the ministers of Advanced Education and Aboriginal Relations, which has representation from the three treaty areas as well as the two Métis organizations, that are going to come together on a regular basis throughout the year to discuss issues, to discuss strategies related to the issues that the students are facing, for potential implementation and to work, again, with our school boards relative to providing leadership there.

We have also been working over the past year with our partners

in the three treaty areas as well as the federal government to develop a memorandum of understanding as to how we can work better together to ensure that the lines that we have relative to on reserve, off reserve and the supports we have are not known to the students so that the students can be more successful as they transition in and out of provincial and federal schools so that we are able to better support them. We have developed specifically a new goal in our three-year business plan. It does have strategies, including strategies that deal with improving the workforce for our First Nations and Métis students, getting more First Nations people interested in teaching.

We also continue to work on our aboriginal 10, 20, and 30 studies in addition to our continuing effort to infuse First Nations, Métis, and Inuit perspectives into our curriculum.

**Mr. Bhardwaj:** A supplementary. Do you know of any school divisions or school jurisdictions which are better than others in dealing with FNMI students? If that's the case, why would that be?

**Mr. Walter:** Typically, the characteristics of those boards who do have success with First Nations, Métis, and Inuit students are, again, boards that show leadership at the board level, at central office, and within their particular schools. So there is a strong emphasis and direction at those particular levels to ensure that these students are being successful.

9:00

Again, another characteristic of those boards that have success is that they are strongly connected to the community, have a good relationship with the surrounding area, with the organizations that represent these students. Some have even gone so far as to have membership on their board, which has proven to be very successful. Also, those boards that focus on transitions, transitions from, as I stated earlier, on and off reserve; transitions between schools, which can often be a difficult thing for students, when they move from one building to another to a different set of expectations and a different environment; from school to work; and certainly and very importantly from school to further education or postsecondary: those typically are the characteristics of the boards that we have in our province that are showing progress and success with First Nations, Métis, and Inuit students.

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

**The Chair:** Thank you.

Mr. Anderson, please, followed by Ms Calahasen.

**Mr. Anderson:** Thank you. I want to ask you a couple of questions about the new schools, the P3s. There are 41 of them that were announced. That's right, 41?

**Mr. Walter:** Thirty-two.

**Mr. Anderson:** Well, 32. Isn't there a first tranche of 16?

**Mr. Walter:** Eighteen and 14.

**Mr. Anderson:** Eighteen and 14. Okay. So 32. All right. Let's get on the same page there. I hope that's not one of my questions. I just wanted to clarify that.

We have a problem in Airdrie and Rocky View in general. Many people don't know this, but we actually have the fastest growing constituency and communities in Canada, a couple of them, even

faster than Fort McMurray, actually. So we've got some serious growth pressures. When I heard that the government was announcing 32 new schools, I took heart from that.

I just want to throw some quick numbers at you. It's important to contextualize the problem here. From 2004 to 2008 Rocky View school division, primarily Airdrie, grew by over 1,100 students. Half of that total, 571 students, were in the last year alone – it was just last year – so almost half of that 1,100. Out of that 32 schools announced, we have one, one single school in Langdon. There was just desperate need for one there. So we got the one school out of 32.

If you compare that to the Calgary board of education, the public board, they grew by 1,500 students over 2004 to 2007. It actually shrank in 2008, but for those three years they grew by 1,500. They got 15 schools, 15 schools for 1,500 new students, not including the decline of last year. But 1,500 new students, 15 schools; one school for 1,100 in Airdrie. Actually, it's zero in Airdrie, but one in Langdon for Rocky View.

Calgary Catholic: approval for eight new schools, and they actually shrank by over 161 in 2006-2008. Eight new schools and a decline in students for that three-year period.

Edmonton public received approval for 10 new schools. They shrank by a thousand students from 2004 to 2007 and continued that decline in 2008. Edmonton Catholic: approval for four new schools and grew by 1,000 students but declined by 71 in the last year.

Then there are similar statistics in Grande Prairie, Fort McMurray although they did grow. They received four schools for a growth of 800 students, so four schools for 800 students, when we got one school for 1,100 students. Fort McMurray, two new schools: they grew by 270 people. So, again, two new schools for 270, and we get one for 1,100.

I guess my question. You know, we're trying to make sure we're meeting priorities, that we're making sure that the schools and the infrastructure dollars that we're spending, 32 new schools, are going to the right places. How on earth is that justifiable? How do you have 1,100 new students in an area, in a school division, the fastest growing in the province, and we get one school in Langdon when you've got 31 others going to places? Obviously, there were a lot of needs in a lot of the places. How did Airdrie and Chestermere get missed?

**Mr. Walter:** To answer that, the first ASAP pilot project was specific to Edmonton and Calgary as geographic areas, so it was not broadened like the second bundle was done, where there were the surrounding communities around those two centres that were brought into that.

You've mentioned the populations. The issue that the boards in Edmonton and Calgary face is that – again, I would have to verify the populations that you referenced over that time – we're seeing a shifting population from the inner cores of those two cities to the exterior, where there were no facilities. So there were situations, again, where the priority was to get schools into the communities where those students were living and to reduce bus ride times, these sorts of things. The decision on that one, as I stated, was a pilot project that was focused on two specific geographic areas, where we have shifting populations from what would be the core of the city to the exterior of the city, to address that.

I'd just ask my colleague Pat Cox, just so that I have the facts straight. I do believe there was also a Catholic school approved during that time that you referenced, from '04 to '07. So in addition to the one school that Rocky View got in Langdon, there was also a Catholic school that was built using the traditional procurement strategy in Airdrie at that time.

Just further to that, one of the strategies that we've incorporated to address areas with a high population growth is, in fact, that we've introduced a steel-frame modular program that is a quick way for us to get space into schools. That is state-of-the-art building that allows us to get space attached to schools in a manner that fits with the existing building. It does not look like some of the portables that I went to school in. They're very aesthetically pleasing. Again, it's a quick way for us to get space into those communities.

The other aspect would be that, yes, you did reference a growth during that time. But part of our decision-making on capital projects is to look at what the utilization rates are. What space did they have in the communities at that time? How did that growth align with the space that was available in those particular communities?

**Mr. Anderson:** Okay. I don't want to be, you know, snippy about this, but the fact is that if you were – maybe you'll take some time to come to Airdrie and see the schools and the portable cities that are going up. Yes, they are better than the ATCO portables, but they are no replacement for a school.

Again I get back to the numbers. I mean, we have just in the last year alone 571 students in Rocky View schools. I'm not even including the Catholic numbers. That's just Rocky View schools, not the Catholic. That's why I didn't include the other Catholic school. I don't have those numbers in front of me for how many Catholic students we had increased. I'm sure it was an increase, though.

I've got one question left. Are you looking at Airdrie? Are they on the radar? I mean, it's so obvious by these numbers that they were missed. I don't know if it was for political reasons or if it was an oversight on your department's part, but there's no excuse. The numbers do not add up if you compare them to Calgary. I understand there are shifting demographics. We're actually thinking in Rocky View now of busing students into some of the vacated Calgary inner schools because there is no room. There's just no room.

I mean, we've got young populations, families, moving in. These growth rates are not going to go down. We're expecting to have 2,500 additional students by 2013, 2,500. There are no schools announced. Even if there was a school announced tomorrow, we're not going to have any new schools to support those 2,500 students. That's a lot of modules.

Do you have any plan to help out with what is, frankly, a real emerging crisis in my community, or are you just going to say: "Well, geographically, we painted the lines around Edmonton and Calgary. We gave them their schools, and they got nine each. That's just how we went with it. Sorry, Airdrie, you're out of luck." Is that how capital is apportioned in your department, or do you actually do an analysis and determine where the growth is, where the growth is projected? If you did do a proper analysis, there is no doubt that Airdrie would be receiving at least one school in this group of 32, at least one, probably two. So are you aware of Airdrie's situation? Are you looking into it?

9:10

**Mr. Walter:** Yes, I am. In terms of the capital planning process there are a number of factors, many that you have referenced in the information that you provided, that go into developing the capital priority list, which includes utilization rates. It includes enrolments. It includes the projections. You've referenced Airdrie, and you referenced Langdon, and I believe you referenced Chestermere, which is another one that is growing. But we have a number of communities, again, when we go through our process that face the opposite problem, which is that they are declining.

One of the things that we have implemented is an enrolment forecasting model that we provide the school jurisdictions. It does help them, and it helps us in terms of doing the planning for particular growth. That is factored with health and safety concerns, because in addition to building new schools, we also have the need to maintain our existing inventory to ensure that the buildings that our students are walking into are safe and are suitable for their learning. All of those factors go into developing the capital priority list, which has been audited by the Auditor General.

I was pleased to see that we weren't mentioned in his report, so I'll take no news as good news in that particular situation. Airdrie is, in fact, again to use your words, on the radar screen. With the factors that I've listed, Airdrie has many of those conditions, so it is something that I know our capital planning folks are aware of.

**Mr. Anderson:** Okay.

**The Chair:** Thank you.

The chair would remind all members that there has developed quite a long list of questions for the officials from the Education department this morning, so if we could keep our preambles down to a very, very short period of time, it would be for the benefit of all members.

Ms Calahasen, please, followed by Mr. Kang.

**Ms Calahasen:** Oh, thank you for doing that. Thank you, Mr. Chair. I just have a few questions. The aboriginal population is one of the fastest growing segments in society, so we're going to see increasing impact not only in the economy but in the educational situation. The leadership of Alberta Education has really been known across Canada relative to the aboriginal education areas that they have dealt with in the past.

I'm looking at your performance highlights, page 31, high-quality learning opportunities for all, and I see that children and youth at risk have their needs addressed through effective programs and support and you have met your target achievement. Then when I look at page 36 and look at the performance measures of students at risk, the dropout rate is usually quite incredible on the aboriginal side, and that's why I think you have some programs to be able to deal with that. But the target is considered met because the result is within 5 per cent of the target value. When I look at that and say, "Dropout rates are more than twice as high for aboriginal students overall over other students," and then I don't see that related to the quality, my question is: in the dropout rate is there a tracking method established by Alberta Education to identify where the students are, where they've dropped out, what grade levels they've dropped out at?

**Mr. Walter:** I'll speak, and then I'll pass it to Dr. Dueck. We do track students who have completed high school within five years of grade 9 and three years as well – three, four, and five years – so we do track those students. In addition to that, we do monitor and track the dropout rate. All of this information is provided back to school jurisdictions, as stated earlier, so that they can incorporate and plan accordingly based on what their particular results are.

You have mentioned that there is a difference in the dropout rate between First Nation students and our nonaboriginal students. In terms of that, what we are doing to address that is that we have announced and have implemented a high school completion framework that has five different components, including transitions, partnerships. Again, this information has been provided to school jurisdictions to assist them in their planning. We have also provided over \$4 million to school jurisdictions to initiate projects specifically

focused on high school completion. All of those dollars have flowed out to our jurisdictions so that they can work with their local communities to develop plans. We also have 24 different pilot projects that are going on right now using technology as a means of engaging students and keeping them in high school, specifically focused on using technology as a means of, again, engaging students, keeping them interested in school and attending so that, ultimately, they do complete.

I'll defer to Dr. Dueck if he has anything else.

**Dr. Dueck:** Nothing else to add.

**Ms Calahasen:** You discussed measures of success, and I'm not exactly sure how one measures success when we're dealing with aboriginal students. Now you've effectively removed one school board which was involved with the First Nations, Métis, and many of the, yes, I would say, Inuit peoples. Their issue has always been the fact that their schools have been dilapidated, and we have not taken care of the capital component for Northland school division in the past. We've done some really great things, but there's still a long list of needs that was done. What happens in terms of that kind of a situation on the capital side when a decision-making body has been removed? What happens on the capital side?

**Mr. Walter:** Well, the official trustee acts in the capacity of the school board. The official trustee, in working with the administration of Northland school division, would continue to gather information relative to what are the facility conditions in Northland school division.

One of the things that Alberta Infrastructure provides to all of our schools on a five-year rotation is a facility index score. It's information that's provided back to school jurisdictions saying: here is a condition index of your particular facilities. Boards, and in this particular case because we have an official trustee who still will work very closely with the local school boards where the school board members continue to function, will then meet, discuss programming needs. Again, they will look at enrolment projections, these sorts of things, and then they will develop that capital plan. That information is then rolled into our database and our capital planning initiative and goes forward. So the capital needs of Northland school division are still the same as they were prior to the removal of the board.

**Ms Calahasen:** Thank you.

Thank you, Mr. Chair.

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

Mr. Kang, please, followed by Mr. Benito.

**Mr. Kang:** Thank you, Mr. Chair. Referencing page 84 of 2008-09 report, can the minister provide more detail on the reason why school facilities exceeded the budget by \$38.3 million? Specifically, what are the details of the \$8.7 million increase due to capital requirements for emergent projects? What does that mean? That's on page 84, pretty well to the bottom.

**Mr. Walter:** I do believe that would be – and we can get back and answer that question specifically – that the difference is due to an increase in IMR funding that I believe was carried over from some dollars that were provided earlier, in the '06-07 fiscal year, in which government announced an additional \$104 million for IMR. There was a certain portion, as I understand it, that wasn't expended during that particular time.

**Mr. Kang:** Well, you know, in the first paragraph it talks about the \$45 million over that is partly due to a \$9.3 million increase in IMR funding, but there is no reference here about IMR funding in this paragraph, so I don't think I see any answering of my question.

**Mr. Walter:** There would be two parts to that. The first one would be, as I understand it, what I referenced earlier about an announcement of additional funding in '06-07 of \$104 million that resulted in some dollars being carried over into this particular year for IMR.

The second one, I do believe, deals with the ASAP projects and the construction progress, which I believe would indicate that the project was ahead of schedule, and in fact dollars were booked ahead of schedule relative to the progress in the construction of those particular facilities.

**Mr. Kang:** Okay.

**The Chair:** Thank you.

All right. We're going to move on if you don't mind, Mr. Kang, please, to Mr. Benito, followed by Mr. Chase.

9:20

**Mr. Benito:** Thank you very much, Mr. Chair. Good morning to everybody. We always say – and I've heard this several times from Alberta Education – that our system in Alberta in terms of education is one of the best in the world, and it is envied by so many school jurisdictions. But when we say school system, you know, this always involves students, school buildings, and teachers. Can you make some explanation about the teachers' pension? Is this still safe and affordable? What is the liability of the teachers for the unfunded liability?

**Mr. Walter:** Well, government has assumed responsibility for the entire pre-1992 unfunded pension liability. I believe that that was part of our agreement with the teachers. This has been transferred to Alberta finance, who have a plan in place to ensure that these benefits will be funded when they become due. The transfer to government of the unfunded pension liability has very much improved the affordability for teachers immensely because of that particular step by government.

However, the teachers' pension plan is not immune from the effects of the global economic downturn. I would comment that teachers can be assured that the pension benefits will be available when they are in fact needed.

In terms of your question on the teachers' share of the unfunded liability, that share is broken down 50-50 between government and the teachers.

**Mr. Benito:** Thank you very much. I want to be enlightened. I guess my next question is if the acting deputy minister can enlighten this Member for Edmonton-Mill Woods about the issue that was mentioned by another member on a clawed back amount because there are many teachers in my constituency. It always comes back to my office, questions relating to that mentioned question. Alberta Education clawed back about not more than 11 per cent of school boards' surpluses. Some school boards that didn't have enough surplus were not required to participate in that clawback scheme that was developed by your ministry. Now, can you make a clarification, just to put this in my mind to rest? Is there any negative impact that was done because of this action by your ministry?

**Mr. Walter:** Well, I would say that the strategy that we employed when that decision was made ensured that no board would be

negatively impacted beyond, again, the small portion, up to 11 per cent for those who were in a position to provide those dollars back. As I indicated earlier, we consider 2.5 of operating expenses to be in good financial health. Any board that was below that in terms of their ability did not contribute to it because had we forced that particular issue on those boards, it had the potential to put them in an unstable financial position, so those boards did not participate. Again, we used a guideline of 3.25 per cent of operating expenses, that no board that participated would drop below that in terms of their contribution. Thus, to answer your question, I don't believe that any board was negatively impacted in terms of their ability to continue providing the level of service that they had established in their jurisdiction to their students.

**The Chair:** Thank you.

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

**The Chair:** Mr. Chase, please, followed by Mr. Dallas.

**Mr. Chase:** Thank you. Given that the average age of Alberta schools is over 40 years, with school closures outpacing openings over the past decade by a ratio of at least 3 to 1, what is the overall deferred infrastructure maintenance deficit for the province's schools?

**Mr. Walter:** In terms of that figure, I'll have to provide you with what that number is from Alberta Infrastructure, who do continue to monitor that for us. Our strategy in terms of addressing the infrastructure deficit that exists is, of course, that every year we invest \$96 million as part of the infrastructure maintenance and renewal dollars that go out to school jurisdictions, who then have their own local decision-making process relative to the condition of their facilities. As I stated earlier, we also provide them with a condition index on all of their schools which indicates the level of condition – good, bad, fair, or in excellent condition – that they use as part of their decision-making process.

In addition to that, we still have – and I'll defer to Pat Cox for the answer in terms of the number of projects – a number of major modernization projects that are under way in the province right now in addition to the new construction. So there continues to be a considerable amount of dollars that are being expended on the maintenance of our existing facilities.

**Mrs. Cox:** We have around 60 modernization projects that we're currently working on in addition to some of the new projects.

**Mr. Chase:** Thank you. The Calgary number is over \$800 million in deferred repair costs between the two boards, the public and the separate. I look forward to receiving the provincial-wide figures.

My supplemental. With the first 18 P3 schools approaching completion, followed by the second set of 14, all negotiated at boom or, if you prefer, prerecessional rates, what is the entire projected cost of these facilities over the 32 years of their extended mortgage, including interest and structural maintenance?

**Mr. Walter:** I can't comment on the interest because the projects were put out based on, again, a design, build, finance, and maintain model, and the interest that the proprietor would have included in their work on their end of things is unknown to us as we would have just taken what the lowest bid was that met our requirements, that met the standards that were identified in the project. So that number is unknown to us at this particular time.

Again, the cost of the particular project was \$634 million net present value, which was \$581 million for construction and \$161 million for maintenance. So, Mr. Chase, I'll have to get back to you relative to the 30-year projection that you referenced. But those were the net present value dollars that were used in awarding that particular contract.

**Mr. Chase:** For the 18 plus the 14?

**Mr. Walter:** For the 18. Not the 14, no.

**Mr. Chase:** Okay. Those are the total numbers that I'm looking for.

**Mr. Walter:** Okay. Of the 14 schools, I believe, 10 are going out to bid still, so that has not been received yet. But I do believe that there is information relative to the four high schools that have gone to tender, and the bids have come in. I believe we can provide that information.

**Mr. Chase:** Thank you. Through the clerk, of course.

**The Chair:** If you could provide that information, Mr. Walter, through the clerk to all members, please.

**Mr. Walter:** Okay.

**The Chair:** We're moving on now. Mr. Dallas, please, followed by Mr. Anderson.

**Mr. Dallas:** Thank you, and good morning to our guests. In the Education annual report you talk on page 24 about support to reduce class sizes. I know that over the last number of years we've invested more than a billion dollars in this area, \$208 million in the most recent fiscal year. As a result of that, boards have hired more than 2,900 teachers, yet when we look at the summaries, school boards are still not meeting the class size guidelines across the board. What are we doing about that to ensure that when we're making this investment, we actually achieve these class sizes that we desire?

**Mr. Walter:** As you've indicated, there were four particular sets of guidelines that were put out as a result of Alberta's Commission on Learning, which had grades 10 to 12, 7 to 9, 4 to 6, and K to 3. As you've indicated in your question and comments, the one area that we continue to not be able to meet the guideline is in the K to 3. The other three categories we are below. Jurisdictions continue to have smaller classes than the guidelines identified in the commission operating in their particular schools. With that, there is the one area that continues to be a challenge.

Every year as part of their budget submissions to us school boards identify the number of teachers and the class sizes that they project. For those boards that are not and have not indicated that they are going to meet those guidelines, we do go out and meet face to face with them as a means of understanding what the particular challenge is that is keeping them from meeting the guidelines. In some cases they will reference space, that space is an issue in their jurisdiction in some of their schools in getting to those guidelines. Others will reference teacher availability and the availability to recruit the type of teacher that they need to offer those particular programs. We do go out. We do meet with them. We don't necessarily dictate, of course, because it is a board decision relative to the deployment of their staff, but we do monitor it, we do track it, and we do follow up with them.

9:30

**Mr. Dallas:** Thank you. I'm glad you mentioned space because as won't come as a surprise to any of our panel, we've had a baby boom in Red Deer, and the peak of that growth is now age five. Capacity utilization is a very significant problem, particularly in the southeast quadrant of the city. In that there's a bit of a contradiction that I wonder if you can explain to me, and that is that we also introduced enhanced funding levels for certain high school courses. When the crux of the problem doesn't seem to be focused on classroom sizes as it relates to high school students but in that K to 3 area that you mentioned, why is it that we've announced enhanced funding at those grade levels?

**Mr. Walter:** The decision to implement a new allocation methodology, again, was based on much of the feedback that we've heard from school boards, particularly this last fall when we went out and consulted with every school board in the province relative to some of the policy positions that we had and some of the planning documents and requirements we had in place. One of the things that we heard from school boards is that at the high school level there were certain courses that require a lower number of students for safety reasons, so those particularly in the CTS area, industrial arts and heavy equipment.

In alignment with that, we heard very clearly from them that there is also very expensive equipment that is needed to support the teaching and instruction that goes on in these classrooms. As a means of recognizing that there need to be smaller classes – and in many of those CTS programs in addition to the need for safety for all students, there's an equipment cost that is higher than other CTS courses – the decision was made to implement a tiered rate of funding to recognize that real cost that school boards face in offering those programs.

**Mr. Dallas:** Thank you.

**The Chair:** Thank you.

Mr. Anderson, please, followed by Mr. Sandhu.

**Mr. Anderson:** This will be really short because I've already prefaced all my questions with that very long-winded preamble. Do you have the criteria, a list available? You were talking earlier about the criteria that you use to determine where to allocate capital. Do you have that matrix or whatever that is? Do you have that available, and could you give it to the members of the Assembly?

**Mr. Walter:** Certainly. Again, just to restate what's in there, the health and safety of students is, of course, paramount in terms of decision-making; the facility condition, information that's provided by Alberta Infrastructure; and enrolment projections that our jurisdictions provide us, both up and down. In addition to your situation, Mr. Anderson, in your communities, as I stated earlier, we have a number whose facility submissions talk about getting rid of space in the system because that, too, can at times be a challenge relative to maintaining and upkeeping space that you're not necessarily using. And, again, the utilization rate in the jurisdiction is there. All of those factors, the ones that I stated, are used as part of the capital planning initiative. We can provide you with the templates that we use for that.

**Mr. Anderson:** Okay. If you could undertake to do that, that would be great.

My second question is: do you have right now a priority list that

you have in the hopper, where you list, "Here are the top needs for Alberta Education," using your matrix that you just talked about. Do you have a list? If you don't, why not? If you do, where are Airdrie and Chestermere on that list?

**Mr. Walter:** All of the project submissions are evaluated when they come to Alberta Education from school boards. Our staff do go back and meet with the jurisdictions to go through their priorities so they fully understand them. They are then categorized into particular areas, again aligning with what I stated earlier. What are the projects that we require to do because of health and safety reasons; what are the ones due for new construction: those types of things. Those projects are put through that particular process. I cannot tell you if Airdrie is on it because I haven't seen that particular list, but I do know that that's a criterion that we use and that the recommendations are then made to the minister based on that.

**Mr. Anderson:** Can you undertake to find and provide that list, the last list that was made?

**Mr. Walter:** I believe, Mr. Chairman, that that's advice to the minister, and I don't believe I'm at liberty to disclose that. I can check.

**Mr. Anderson:** You're not at liberty to disclose the list?

**Mr. Walter:** Correct.

**Mr. Anderson:** To Members of the Legislative Assembly?

**Mr. Walter:** It has not been approved, so I'd have to check with our folks relative to my ability to release that.

**Mr. Anderson:** Will you do that?

**Mr. Walter:** I will.

**Mr. Anderson:** Thank you.

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

For the interest of members if you look at page 46 of Alberta's 20-year strategic capital plan, you will see where there is projected student population growth in Alberta of close to 80,000 students. The source of this, of course, is your department, Mr. Walter. That information, I think, should be transmitted forthwith to many of the public school boards across the province who maintain we're having a lower student population than what your projection is.

**Mr. Walter:** That information is shared with them.

**The Chair:** Well, they don't seem to be using it.

Mr. Anderson, thank you for that.

Mr. Sandhu, please, followed by Mr. Kang.

**Mr. Sandhu:** Thank you, Mr. Chair, and thank you to all the officials. The millions of dollars being spent on the Alberta initiative for school improvement projects are making a difference to our education system. Can you tell me what difference Alberta initiatives for school improvement is making?

**Mr. Walter:** The Alberta initiative for school improvement has been an outstanding success for the Alberta education system. The AISI initiative really has transformed the way that our jurisdictions look

at innovation, the way that they plan and strategize for making improvements for students. It is a partnered initiative, as many people are aware, between ourselves, the Alberta School Boards Association, the Alberta Teachers' Association, the college of Alberta superintendents, and others, our university partners, who establish criteria that projects must meet, and then those projects are evaluated by Alberta Education staff as part of the approval process.

There have been hundreds of examples of AISI projects where significant improvements have been made, including those that focus on literacy and numeracy; First Nations, Métis, and Inuit education practices; distance learning; and student engagement, just to name a few. All the results are available for our 10-year history on our website. We have just completed a comprehensive review of AISI after 10 years that is also available, which does show that there have been significant gains made in the system relative to the investment made for school improvement.

**Mr. Sandhu:** Supplemental: what is the department doing to ensure the projects that show improvements are being more broadly implemented?

**Mr. Walter:** One of the challenges that AISI projects have faced and jurisdictions have faced relative to their planning is developing projects that school jurisdictions are able then to more broadly implement if they're proven to be successful. This was a particular challenge that we faced transitioning from cycle 1 of AISI to cycle 2, and I believe the school jurisdictions have gotten much better at the practice over time.

One of the things that we have done is that there is a requirement, when a jurisdiction submits its project submission for approval by the department, that asks the jurisdiction what their plan is for broader implementation if the particular project is deemed to be successful. They have to clearly outline what their strategy is, and we have to deem that that is, in fact, an appropriate way of broadening the benefit that the project is intended to incur for students. So that is all part of that.

In addition to that, we do provide a tremendous amount of information back to school jurisdictions on the successful projects so that they can see what's happening around the province, contact those jurisdictions that are seeing benefits from that. Also, our university partners – the University of Alberta, the University of Calgary, and Lethbridge – do an excellent job of taking particular projects that have deemed to be successful, doing additional research on that particular strategy, and then publishing those results. So broader implementation has been a challenge, but it is one, I believe, that our school jurisdictions are embracing and, as part of the front-end planning, doing a better job of ensuring that they're looking beyond the three-year window.

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

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

Mr. Kang, please, followed by Mr. Xiao.

**Mr. Kang:** Thank you, Mr. Chair. Can the Auditor General or the minister explain the reason for the inclusion of the last paragraph in the Auditor General's report on page 101 and the reference note 7 on page 112? Why did the AG want a note that reports a new liability of \$161 million?

9:40

**Mr. Saher:** Yes. I'll try and answer that question. The member is asking about the Auditor General's report on page 101. This is our

audit report on the ministry financial statements. It's a conventional auditor's report other than it has an additional paragraph at the end. I'll just read that paragraph. "I", being the Auditor General, Fred Dunn, "draw your attention to Note 7 . . . It describes where the work in progress assets that relate to the Alberta Schools Alternative Procurement obligation have been recorded. My opinion is not qualified in this matter."

What the Auditor General was doing was simply pointing out that note 7 in the financial statements was an important note. That note indicated that although the cost of ASAP 1 is funded by the ministry, the schools that result from that project will in fact finish up as assets on the school board financial statements. The reason for drawing attention to that note is that we were concerned that users of the ministry financial statements might in fact be confused in that money was being spent on schools, but in the ministry there wasn't an asset. So we thought it was important to draw attention to the fact that the asset that results from that spending will be found in the financial statements of the school boards that, in fact, will take over those schools once they're completed.

**Mr. Kang:** I'll take this a step further. Is the \$161 million liability for Alberta schools alternative procurement reported on page 103 included in the total expense of \$661 million in the school facilities and alternative procurement that is reported on page 102?

**Mr. Saher:** The answer is yes. The \$161 million, which was the value of the work in progress, was treated as an expense in the ministry. It was an amount that represented the work that had been done to date and was thus due to the contractor and treated as an expense. For consolidation purposes that money was treated as an expense in the ministry, but then in the consolidated statements of the province as a whole it's treated as an asset.

**Mr. Kang:** Thank you.

Thank you, Mr. Chair.

**The Chair:** Thank you.

Mr. Xiao, please, followed by Mr. Chase.

**Mr. Xiao:** Thank you, Mr. Chairman, and welcome, everybody. I guess I have three questions very briefly. One is related to the public school to be built in my constituency, the K to 9 school. There's a Catholic school, Sister Annata, that's under construction. I understand it's going to be open for business in this coming fall. My question to you is when this K to 9 public school is going to be built. Originally the location was chosen to be built in the Hamptons area, but the businesspeople there are against it. They want it to be built in the Glastonbury area because, you know, these are the two newly developed communities, and they have nothing. That's my first question.

Another question is about the issue of special-needs students in the classroom, especially a Catholic school. We put the special-needs students in the normal classrooms, you know, in a normal class situation, but very often, because they could not get adequate attention from the teachers or from staff members, that really interferes with the normal teaching. When I was knocking on doors, a lot of parents raised this issue with me. I want you to give me some answers to that. Do we have special funding to support the schools, to hire more staff to deal with the situation? That's my question.

Another question is the effect of the teachers' pay raise recently. Is that going to affect the ability of the school boards to hire new grads? We were blamed by the parents, by the new graduates of the

Faculty of Education that the Alberta government, you know, basically stopped hiring. I want to know what would be the cause. I understand it is up to the school boards to decide whether they need new teachers or not. Definitely, from what I have heard, that's because of the pay raise, that also affects the ability of the school boards to hire new teachers, even to maintain the current levels of staff and teachers.

Those are my three questions. Thank you.

**The Chair:** Mr. Walter, if you could quickly respond on the location of schools in the constituency of Edmonton-McClung, the special-needs funding, and the hiring of new teachers, we would be grateful. Please proceed.

**Mr. Walter:** To answer the first question, you referenced that there was a Catholic K to 9 school being built in your constituency and, at the same time, that there was a need for a public school board.

**Mr. Xiao:** No, that's already approved. Two schools: one Catholic, one public. One Catholic is under construction, is going to be completed in the coming fall, and the public school has not been built yet. So I want to know when and where, in Glastonbury or in the Hamptons area.

**Mrs. Cox:** Are these projects that were part of the P3, both of the schools?

**Mr. Xiao:** I don't care about P3 or not; I just care about the schools.

**Mr. Walter:** They're approved projects. We'll have to follow up specifically with that particular school to tell you where it's at. I know that we've advanced very far in terms of the planning for the second round of the P3 schools, so I would assume that it won't be very long until the bid is out.

**Mr. Xiao:** These two schools were approved two years ago.

**Mr. Walter:** The second question that you raised about the support for special-needs students. In addition to the base funding that is provided to school jurisdictions to support classroom instruction, which is for all students, there is approximately \$16,465 that is provided per student as part of a jurisdiction profile that every jurisdiction has, that is a pool of money to put in place programs for students who have severe disabilities. So in addition to the base funding that is provided, there is an allocation of \$16,000 that's part of a jurisdiction profile.

We provide them with some demographic information relative to the number of students that they would have who meet the criteria, and they are then funded on that. Then the board has a responsibility to put in place programs that meet the needs of students. Most of our schools, again, do provide an inclusive model with some pull-out time for students. I'm sure that's the model that some of your constituents were describing to you.

The last question, on the teacher pay raise and teacher turnover. Every board will have a certain number of retirees every year that they look to replace in terms of hiring teachers. Some will have more than others, depending on their demographics. We do and have provided jurisdictions with extensive information relative to the profile that they would have on the age of their particular teachers. So they have that information, and they can plan accordingly for when they need to hire and, more importantly, in what particular areas: is it lower elementary or high school? We do provide that information to them.

**The Chair:** Thank you.

**Mr. Xiao:** Okay. Thanks.

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

**Mr. Chase:** Thank you. Also, if you could please put me on the read-in list.

Has the space utilization formula been updated to reflect the government-accepted 2003 Learning Commission class size recommendations? If not, why not?

**Mr. Walter:** The space utilization formula is currently under review. We are consulting with our stakeholders, so the school jurisdictions and the school plant officers, who maintain and run the facility fleets within their jurisdictions. It is my understanding that recommendations regarding the utilization formula are to be brought forward this spring.

9:50

**Mr. Chase:** Thank you. My supplemental. With the advent of modular schools, which allow for additions and subtractions – good move – to the core: are school hallways still part of the teachable-space calculation?

**Mr. Walter:** I'd have to get back to you on whether or not that is part of the existing calculation.

**Mr. Chase:** Thank you. It's closed a number of old sandstone schools.

**The Chair:** Thank you.

To the members: there is still quite a list of questions here to be addressed to the department. In light of the time, Mr. Walter, we're going to have to read them now into the record, and if your department could please quickly follow through with a written response, through the clerk for all members, we would appreciate that.

We will start with Mr. Vandermeer, please.

**Mr. Vandermeer:** Okay. Thank you. I just have six short questions.

**The Chair:** Sure. You can have eight, sir.

**Mr. Vandermeer:** I'm on a First Nations and Métis and Inuit committee. We've been travelling the province and meeting with chiefs and industry and colleges, and a big problem with the aboriginal people is education. What we hear over and over again is that when they go in for upgrading to go into postsecondary education, if they drop out, they are not allowed to come back until four years have passed. Four years when I was 20 seemed like an eternity. So I'm wondering if they could do something about that.

The other thing that we're hearing is that these instructors are putting more time into paperwork and being accountable than they are spending time with the students. I'm wondering if we can do something to speed that up.

**The Chair:** Thank you.

Mr. Olson, please.

**Mr. Olson:** Oh, thank you. I just have a quick question about the LEED standard. I'm wondering who decides the level of standard that needs to be met for new construction. Is there kind of a uniform

standard across the province, or is that something that is determined locally? How, if at all, are these standards applied in terms of upgrades?

Thank you. That's it.

**The Chair:** Thank you.

Ms Woo-Paw, you have several questions, I believe.

**Ms Woo-Paw:** Yes. Thank you for your indulgence. My first question is on teacher evaluation. I'm very impressed and appreciate the opportunity to learn more about the Speak Out initiative through today's meeting and that the students have identified effective teaching as a number one priority for them as learners in our province. Of course, the relationship between our students and their teachers is paramount, but when I look at the measurements, I think – first of all, I need to go back one step. I think that when we look at the assessment of teachers, teacher performance, currently we seem to be focusing on beginning teachers, those who are conscientious to receive feedback, and when there is a serious problem. Then when I look at the measurements you used, it seemed to focus on our students' performance and not our teachers' performance, so I'm just wondering whether the ministry is considering modifying some of your measurements to better track and assess effective teaching. That's one.

Another one is around ESL issues, the paragraph in the annual report on page 29. I'm pleased to learn about some of the developments and the leadership the ministry is taking to address this issue. It's interesting that you use the word "emerging" because these issues have been around for 18 to 20 years. My question is on timeline. You suggested some very promising initiatives, so I'd like to know when they would be completed.

I'm very excited to learn about the Speak Out initiative, as I said earlier. I'm very pleased to hear that the ministry has endeavoured to recruit and include those who are uninterested in and disengaged from the education system. I applaud your effort to try to do this, but I can't see this to be easy, so I'd like to know what strategies you have in place to achieve this objective.

Some school jurisdictions have set up foundations, actually, to enhance their financial resources. In addition to new schools, school districts have, to varying degrees, to raise funds to augment their financial needs. I'm just wondering whether your ministry is monitoring the potential increase in inequity that this may create for students and the equality of learning for Alberta students.

My last question – and this is my last Public Accounts meeting – is from the Auditor General's report of April 2009, on page 99, in regard to the Northland school district audit. I understand that the minister has taken action to address the board governance issue, but there are systemic challenges for those jurisdictions. You know, I don't mean to say this in a way that is negative. There are historical, social, political issues. Some people who are accountable and responsible – I'd like to think I'm one of them – just don't like paper trails and numbers. I think there are some systemic challenges, and I would like to know what your ministry is doing to support this district so that all of the recommendations from the Auditor General's report will be satisfactorily addressed.

**The Chair:** Thank you.

The hon. Member for Lethbridge-West, who has been very patient.

**Mr. Weadick:** Thank you. My question was asked.

**The Chair:** Okay. I appreciate that.

**Ms Calahasen:** Just one question; I probably have a number of them. There was much ado made about the payment of bonuses to civil servants, yet bonuses were still paid to staff in '08-09 from the Education department. Could you tell me how much money was paid to Education staff in bonuses and why they were paid in a time of fiscal restraint?

My second question. Of course, I would expect that the deputy minister had the highest bonus. My question is: who determines the salary of the deputy minister, and how do we account for the performance of the deputy as a result or even of the Education staff who received the bonuses in terms of their performance?

**The Chair:** Thank you.

Mr. Benito.

**Mr. Benito:** Thank you, Mr. Chair. I just want to express my appreciation to all of you for the information that I heard this morning, and I'd like to let you know that your time is appreciated.

My question is about school utilization rates and school facility design and allocation of noninstructional spaces. Does this affect the funding received by school jurisdictions? The issue of school facility design and allocation of noninstructional spaces: what is being done to address this issue? My last question. Is there any capital planning intended for the constituency of Edmonton-Mill Woods?

**The Chair:** Mr. Chase, please.

**Mr. Chase:** Yes. Seventy-five per cent of ESL students fail to complete high school in three years. Page 11 reports a decrease in the five-year trend in overall results on diploma examinations, with page 56 explaining that this is primarily driven by a decline in English language arts 30 results. How much of this decline can be attributed to an increase in ESL students, and how do the language arts diploma results compare with English as a first language speakers? Does the ministry track the impact of poor language arts 30 results on a student's ability to transition to postsecondary education?

For MLAs Woo-Paw and Bhardwaj, so long, farewell, auf Wiedersehen, good bye. We've enjoyed your company. I know you're on to not better things but different things.

**The Chair:** Are there any other members with questions or songs? No? Okay. Seeing that there are no more questions, I would like to thank the members for their patience this morning, and I would like to thank Mr. Walter and the officials from Alberta Education for your time and commitment this morning. Good luck with your department in the next year. We look forward to seeing you next year as well.

**Mr. Walter:** Thank you.

**The Chair:** Is there any other business that committee members have at this time?

Okay. I would like to remind you, please, that our next meeting is next Wednesday, February 24, at 8:30, with Alberta Infrastructure.

May I please have a motion to adjourn? Moved by Mr. Bhardwaj that the meeting be adjourned. All in favour? Seeing none opposed, thank you very much, and have a good week.

[The committee adjourned at 10 a.m.]



