

## Legislative Assembly of Alberta

Title: **Tuesday, March 5, 1996**

**Subcommittee A**

Date: 96/03/05

8:00 p.m.

[Chairman: Mr. Clegg]

### **Committee of Supply: Subcommittee A Advanced Education and Career Development**

THE CHAIRMAN: Okay. We'll call subcommittee A to order. Tonight we're here to do the estimates on Advanced Education and Career Development. I'll ask the minister to make a few opening remarks, and we'll go from there.

The hon. Minister of Advanced Education and Career Development.

MR. ADY: Thank you, Mr. Chairman. Before I begin my remarks, I would like to recognize the work that my deputy and my department people have done. Some of them are in the gallery tonight, along with my favourite cheerleader, my wife. With that, I'll make some opening remarks, and I'm looking forward to questions from the members opposite, but first let me spend a few minutes setting the context for the business plan that is in front of you for our department.

I think you will agree that lifelong learning is the key to our future as individuals and as a society. The future prosperity of Alberta depends on the skills and talents and abilities of its people. People are the centre of everything that we do as a department, and by ensuring that the adult learning system and adult learners have access to the highest quality learning opportunities possible, we ensure a better future for Albertans and for Alberta.

Learning and research are good investments for learners and their families and business and taxpayers. Investments in learning and research pay big dividends in the long run. A highly educated and skilled workforce is part of the big Alberta advantage. Adult learning has been and continues to be a government priority. This year the Alberta government will spend over \$1 billion in quality adult learning.

Mr. Chairman, there are two main businesses in my department: support for adult learning and support for adult learners. Of that \$1 billion, almost \$850 million will fund learning through, for example, degree, diploma, certificate, and apprenticeship programs, mainly at postsecondary institutions. This year significant reinvestment is being made to ensure that Alberta continues to have quality adult learning which meets the needs of today and tomorrow. Albertans will continue to have quality opportunities to study at our colleges, technical institutes, and universities.

As you're aware, the federal government intends to reduce transfer payments to the provinces in the form of the Canada health and social transfer. No jurisdiction will be exempt. We agree that the federal government has to attack its annual deficit to get its growing debt under control, and reductions in transfer to provinces are necessary. As the Treasurer has noted, though, we expect the federal government to do more to get its own house in order than it has done. Because health and education are a priority of this government, the loss in federal transfers will be absorbed by general revenues, assuming there are no further changes to the CHST. This is a significant commitment on the part of this government.

Replacing the current transfers, which is the established program financing, and the Canada systems plan with the new CHST will see the federal cash transfers to Alberta drop from 1 and a half billion dollars in 1995-96 to less than \$1 billion in 1997-98, a reduction of 33 percent over two years. If you apply this reduction to the EPF, the cash currently assigned by the federal government to postsecondary education, the transfer under the CHST would drop from \$250 million in 1995-96 to \$165

million in 1997-98, a decrease of \$85 million. By my rough calculations, if this reduction were to be translated to the institutions, we would be talking in the neighbourhood of a 12 percent reduction over two years, something that our system could not withstand. However, as I assured stakeholders at the minister's Forum on Adult Learning in December, there will be no reductions in grants to postsecondary institutions beyond those announced in our 1995 to '98 business plan, assuming that there are no further changes to the CHST. Based on what we know today, this government will absorb the federal cuts to the CHST. We will not be passing this loss on to the postsecondary institutions and to individual learners. For the next fiscal year this means protecting the system from some \$42 million in cuts. There will also be no change to our tuition fee policy for the postsecondary system. The policy will continue to ensure fair, predictable, and regulated tuition fee plans.

In addition to reducing the CHST, the federal government is in the process of withdrawing its money for training, including funding that was available to apply to the apprenticeship programs. Funds transferred for manpower training are reduced by \$10 million in this budget. We'll not pass on these reductions to apprenticeship programs. Alberta's first-class system will be maintained. I hope that the other education systems across the country will be able to absorb the reductions in the same manner, but I suspect that Alberta will be a minority in that area.

Mr. Chairman, I'd like to speak for a minute about the performance-based funding mechanism. We will use the policy tools available to us to encourage institutions to strive for excellence and relevance. In 1996-97 we will pilot test a performance-based funding envelope for postsecondary institutions. The envelope will link funding to desired outcomes and outputs through the use of key performance indicators. Alberta is the first jurisdiction in Canada and among the leaders in the world in linking funding to performance for postsecondary education. The complete mechanism will consist of a general operations grant, the performance envelope, and specific funding envelopes that will act as incentives for change.

Adult Albertans will continue to have learning opportunities that are recognized for their excellence and availability. In 1996-97 we will invest \$52 million in the postsecondary system through the special purpose envelopes. Ensuring that adult Albertans have access to quality learning opportunities has been a priority for Advanced Education and Career Development since the first year of our business plan.

The access fund is expanding the number of places for students in programs that give them skills and knowledge needed for employment. Funding available to the access fund will increase this year to \$35 million to meet our commitment to support additional quality learning opportunities at a reasonable cost. The final access fund awards will be made later this month. The access fund has been highly successful in creating additional new learning places at a substantially reduced cost to the taxpayers. Institutions are to be commended for their creativity and commitment to Alberta learners. With an easing of enrollment demand, the fund will be suspended for a three-year period beginning 1996-97. The business plan in this budget reflects a reallocation of \$12 million for three years, subject to review, to the learning enhancement envelope and the research excellence envelope.

I'd like to make a few comments about the research envelope. We are committed to supporting research excellence at our universities. Alberta's competitive advantage in Canada and the world also lies in our ability to generate new knowledge and to be part of the worldwide community of scholars to access new knowledge. We want our universities to be sources of research

strength that will contribute to the cultural, social, and economic development of Alberta. Between 30 and 40 percent of operation grants to universities support the research function. Our ability to attract external research funding to the province is part of the Alberta advantage. In 1993-94 Alberta universities attracted approximately \$75 million of federal research funding. University research is highly valued. University research supports economic growth, and many companies work closely with our universities. Business makes use of research and creates wealth and jobs. Graduates take their new knowledge into the world of work. The primary ingredient of quality research is quality people.

In 1996-97 we will establish a research excellence envelope to reward and encourage demonstrated research excellence. We will assist universities to make front-end investments in infrastructure to attract new faculty in areas of research excellence. We have committed \$2 million to the research excellence envelope. This is a significant step towards implementing the recommendations of the Cloutier report.

### **8:10**

Mr. Chairman, we invited Albertans to comment on a paper which outlines our vision for a provincewide system of virtual learning for adult Albertans. Virtual learning bridges the gaps of time and place through the use of technologies like computers, fax/modems, video conferencing, and computer conferencing. Virtual learning gives learners access to a world of learning opportunities regardless of where they are or the time of day. Virtual learning has some truly exciting possibilities for delivering learning opportunities to adult Albertans from all walks of life, whether in a classroom, in their office, or at their home. A provincewide virtual learning system developed through integrating technologies into programs can contribute to our goals of increased accessibility and cost effectiveness and also to responsiveness and accountability.

We have learned much from the input of Albertans. There is a range of support for our vision. While there are concerns and reservations, there is broad support to move forward and to build a vision to test the concepts. We plan to redirect \$10 million a year for three years, beginning in 1996-97, from the access fund to the learning enhancement envelope. The envelope would act as a financial catalyst to enhance quality and access by encouraging the innovation and innovative use of learning technology. Innovations could include changes in the organization of program content and curriculum, in faculty roles and classroom instruction, and in the delivery of academic student support services. It is essential that we support and encourage innovative approaches to adult learning. It is through such innovations that Alberta's competitive edge in Canada and the world will be secured.

Mr. Chairman, I'd like to make some comments on the infrastructure renewal envelope. The focus of the infrastructure renewal envelope will be to accommodate the modernization of existing buildings and the updating of equipment in postsecondary institutions. In 1996-97, \$5 million in new funding will be allocated to infrastructure renewal. This initial funding will be directed towards the updating of equipment. We will continue to ensure that Alberta has a first-class infrastructure supportive of adult learning. While we believe that this funding is a step in the right direction, the need to renew our adult learning infrastructure is much greater than \$5 million. Over the next 10 years we may need at least \$500 million for buildings alone. Funding for infrastructure renewal is a priority for me and a priority for the system. Through our public consultations we have heard time after time that reinvestment must take place, and I will continue to make a strong case for it.

Renewal of adult learning is not just money or new funding formulas. It also involves new program policy, and I want to highlight two initiatives for you this evening. First of all, I'd like to talk about the applied degree. Adult learning opportunities must be relevant to today's economy and society. We are now testing the applied degree as a new credential to prepare learners for roles in a rapidly changing economy. It will give students the unique opportunity to combine classroom learning with practical on-the-job experience.

Applied degrees also give learners an opportunity for a process called career laddering. For example, technical diploma graduates who want to move into management or supervisory positions may be unable to do so because these positions often require a degree. Unlike more traditional models, applied degrees may allow these learners to move into the necessary degree programs while still getting recognition for their technical training. This is one of the many ways in which applied degrees provide more options for moving up the career ladder. In all, we had 34 proposals from institutions around the province to introduce this new credential. We have approved eight applied degrees, which are now being piloted in institutions across the province.

I'd like to turn for a moment to our adult development reform initiative. It is another way in which we are ensuring excellence in our system of adult learning. Adult development includes literacy programs, academic upgrading programs, skills development, and the like. The adult development system is distinct from other parts of the system in that it is charged with providing learning opportunities to the large number of adults who do not possess the necessary employability skills to successfully enter the workforce. The adult development system also serves adults who lack the prerequisites for further education and training. Over the last 45 years or so, adult development programs have provided learning opportunities for hundreds of thousands of adult Albertans to complete an education, acquire marketable skills, and explore career possibilities. However, increased globalization, technological advances, changing demographics, and other factors are necessitating change in the way adult development programs are delivered. As elsewhere in the adult learning system, there is a need for reform. The adult development reform initiative will ensure that all basic training and educational programs for adults give them the skills they need to be successful in the labour market or to proceed to higher level training.

For example, one of our major objectives is to integrate into the programs the employability skills recently identified by the Conference Board of Canada. We also are aiming to develop academic and training programs that have consistent standards. At the same time, we want to ensure that all programs are career focused and that learners can move as efficiently as possible to reach their employment and training goals. In addition, we'll be working to increase collaboration among learners, providers, business, and industry. I'll be releasing a policy paper on adult development programming later this spring. We also intend to initiate pilot projects to test the concepts that have been under discussion with our stakeholders.

Mr. Chairman, \$174 million is budgeted this year for the department's second business; namely, support for the individual adult learner. Albertans want to be self-reliant, and many are taking advantage of adult learning opportunities to enhance their lives and the quality of life in their communities. Access to information about career and learning opportunities is essential to this process. Labour market information centres give individuals access to books, periodicals, publications, audiovisual materials, and other resources to assist them with their career-related needs.

We are now discussing the adult learning information service,

or ALIS for short. This system would allow people from all over Alberta to access through the Internet information on the wide array of learning opportunities currently available in the province. There is a wide array of learning opportunities across the province. However, some Albertans need help to enable them to acquire the skills and knowledge that they need.

I'd like to spend a few minutes talking about student assistance. Student assistance is enhanced in this budget. Over 56,000 students will benefit. Loan limits for needy students will be increased to accommodate tuition increases, and parental contribution rates have been reduced to recognize increases in the cost of living. Alberta's remission program keeps debt loads manageable after graduation.

Mr. Chairman, I'm running short of time, so I think I'll move quickly to some of the points that I would like to make. I'd like to just make a comment on streamlining government. We intend to continuously improve and streamline government. Since 1992-93 we have reduced the size of the department's administration by almost 30 percent. Alberta's long-standing position is that the current federal presence in the area of training and employment parallels provincial activities and has led to overlap and duplication. Currently there are five provincial colocations which offer labour market and social services to federal and provincial clients. These colocations do provide a more desirable form of program delivery for the client, one-stop shopping if you will, but they're still costly and cumbersome. Some other streamlining measures that we will be advocating: within the government's fiscal framework my priority is to maintain a system of adult learning that enables Albertans to create and acquire world-class knowledge and skills.

Renewal and reinvestment in adult learning are necessary, but has quality been compromised? We have had some strong evidence that our present system is accessible and producing sound results: the dollars spent on the number of faculty or size of classes are not important by themselves. The key is their link to results. Mr. Chairman, the whistle tells me that I have to end my remarks, so I'll be prepared to take some questions from the hon. members across the way.

8:20

THE CHAIRMAN: Thank you, Mr. Minister.

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. I'd like to start, as the minister did, by setting a context for what we have in the budget, and I think we have to remind ourselves that the context for the business plans and these estimates was one of cost cutting, not the improvement of education. The prime motivator for the changes has been to save money. Now, I'm not saying that the improvement of education was not important, but I am saying that what prompted all of the changes we see before us was the desire to cut dollars. There have been some changes as a result of that motivation that I think are questionable, and I'd like to raise some of those this evening.

I think that the minister is right and has to be commended and his government has to be commended, because if we're to believe the rhetoric of the business community, if we're to believe the rhetoric of politicians, if we're to believe the rhetoric of economists, then any cuts to education are cuts that are going to be self-defeating in the long run and work against our best interests, whether you look at those interests in terms of the quality of life we live or if you look at those interests in economic terms globally and locally. So I thank the minister and I commend the minister and his government for making sure that the cuts the

federal government plans to make are going to be covered by the province. It's a good move, and it's the right move.

Over the past six to eight weeks I've had the opportunity to visit many of the adult education institutions across the province. We have some fine institutions. We have some fine people enrolling in and administering those institutions, and we have some fine people, with the best interests of students, governing those institutions, but there are a number of questions. Some of these questions were raised with me as I visited universities and technical institutes and colleges. Others are ones that have arisen directly out of the materials that are before us.

One of the underlying conflicts that is in the budget and that institutions are experiencing is the tension between being told to co-operate and being told to compete. I think it's best embodied in the access fund. There we had institutions competing for students, and although the criteria for access fund awards were supposed to reward collaborative projects, the institutions certainly don't feel that that's been the case. Collaboration was more rhetoric than it was seriously considered in the proposals that were judged. So there's a tension between institutions' having to compete for students yet continually being told they have to co-operate in delivering programs. That tension is going to grow with this budget and I think down the road is going to be the source of continuing difficulty for the government as those institutions try to reconcile those two different directions.

A second concern – and this was almost universal in the visits that I made – was the faith that is being placed in technology to take over instruction and to deliver programs and to do it at less cost. There's real skepticism out there that that's going to be the case. For example, when I was at Fort Chipewyan, where there is the Alberta north project with the delivery of programs electronically to students in a number of institutions, I was interested that at Fort Chip the students made a presentation to the board of governors there asking for a teacher. Now, they were receiving their instruction in class by electronic medium, by television and voice, and what was their request? A teacher to support them, to answer their questions. So I think it exemplifies what I heard time and time again: we can't rely on technology. The costs of getting programs ready for the kinds of networking that are envisioned are astronomical, and the view of learners as one-dimensional, as learners who can learn by electronic means, is a view that's very narrow and not consistent with the kinds of individual differences that are found out there across this province and the wide variety of adult learners that have to be accommodated.

A third question I'd like to ask the minister is: how has he gone about finding out what's going on in research at universities? To go back to the Cloutier recommendations, I guess if you read his recommendations Cloutier really criticized the government for making decisions about research without any real knowledge about what went on in universities. I think, if I recall right, he recommended that some knowledgeable people be appointed to advise the government on research, so I'd like to know exactly what steps have been taken. The decisions that are being made about research – the ones that are contained in this budget, particularly under the new business plan strategies, the research excellence envelope – on what information were those thrusts based?

It seems to me, if you read what's going to be done – the business plan states, "Match funds to make front end investments to help recruit outstanding faculty in areas of research excellence." Everyone agrees that we should be out recruiting the best brains, wherever they're found, to work in our institutions. But what about the people we have here? That was the other half of

that recommendation that Cloutier made: there has to be something done to keep the good people that we have here now. I don't see that being accommodated in the business plan, so it led me back to this question. What was the basis on which the department made its decision to select the recruitment of new faculty or instructors as part of the business plan and to not put up front some scheme, some plan to try to prevent the brain drain which Cloutier now says is under way, that talented instructors in our institutions are looking for opportunities elsewhere, and when they find them, they're taking them?

A fourth question. The minister raised the problem of infrastructure, and that is a universal problem across the province except at maybe Grant MacEwan. If you go to Olds, they're concerned about the student residences. If you go to the University of Alberta, they're concerned about student residences. Michener Park alone could use 6 million plus dollars if they were to adequately upgrade their student residences. When I spoke to students in Fairview, they talked about the inadequacy of the residences there: they no longer fit the kinds of student lifestyles; putting three and four students in a room is no longer acceptable; the facilities themselves need to be upgraded. The story was the same across the province. Student residences, I would suspect, are second priority in many institutions, but for Olds, for Fairview they're a necessity if they're going to have students attend those institutions. Residences have to top the list.

The kind of \$5 million that the minister says he's going to put into infrastructure this year does nothing to upgrade the kinds of classrooms, the kinds of laboratories, the kind of technical equipment that institutions need. So I would like to know: where did the \$5 million figure come from? I think the minister – and he can correct me – in his last remarks made an estimate himself of how much was going to be needed over the next 10 years: in the hundreds of millions of dollars. When is the plan for that infrastructure financing going to come forward, and how is it going to be paid for?

A fifth question I have is in the area of AVCs. The Alberta Vocational Colleges perform a really unique role in our province. If you go to AVC Lac La Biche, you'll see students in the academic upgrading programs working with talking computers. I talked to a student there with dyslexia who is able to talk into a computer, have his material up on screen, edit it, and start work at that very basic level. So the AVCs are a unique institution, and they have a unique body of students that they serve. Yet if you look at the second bullet on page 151 under the strategies, it says:

- Follow-up on the report reviewing the governance of programming at Alberta Vocational Colleges to ensure programs are delivered to learners effectively and efficiently.

Is the implication that the programs weren't being delivered effectively? Is that what we're to take from that statement? If that's so, what was that based on?

### 8:30

The AVCs across the province have a peculiar governance structure, one where they report directly to the deputy. In community after community there was dissatisfaction with that model and a desire, particularly in some of the more remote communities, to have a local board that could express the needs and the views of the community and not to have those views funneled through the deputy minister's office in Edmonton.

Technology is on everyone's mind, and it has grown in each institution, even within departments within institutions, in its own individual way. The result is that at a time when compatibility of equipment and compatibility of software is becoming a major

problem, we have everything but. We have institutions that can't exchange information with each other in terms of student records, in terms of financial information. There's no common program used. There's no common software. Again, it was mentioned by a number of the administrators in institutions how frustrating that is.

The whole business of computers and putting computers in the hands of students and faculty and instructors is a major problem. The college at Lethbridge is voted a million dollars, and in talking to staff members there, a great deal of that money is going to have to be spent on the faculty, on the instructors themselves to get them ready. Many of the students in that college know more about the use of computers and getting on the Internet than some of the instructors do, and the instructors admit that quite readily.

So in the whole area of technology and how we are going to make sure that our students have the equipment they need, that instructors have the equipment they need, that because that equipment is dated so quickly there is some plan in those institutions in terms of equipment acquisition, software acquisition, there just has to be something done: some standardization, some central planning, a co-ordination of the efforts across the province.

I think if there was one problem everyone was deeply concerned about, it was technology and making sure that students were able, for instance, to access the Internet, although that alone presents some problems in itself. The students, for instance, out at Lakeland College had no contact with the students at the University of Alberta. They didn't know that there were plans for it, that they could acquire equipment at reduced rates by going together as students. It seems to me that that kind of fundamental information sharing should be something we would expect would have happened, that the plans for students and staff to acquire equipment that's going to be so necessary for them would have been in place.

Related to technology is the notion of developing electronic courses. Again, I think the faith here may be misplaced. I had the opportunity not just in the last few weeks but prior to this to watch some of the courses being delivered by television. If that means that you're going to sit a professor or an instructor down at a desk or a shop bench and turn a television camera on them and broadcast that to students in 15 different locations, it's not going to work. The kind of sophisticated delivery and programming that that medium requires costs money, and any notion that delivering it in that way is going to end up with inexpensive instruction, I think, is probably misplaced. I think it's going to be very expensive.

If you want a bit of an idea of what it involves, turn on the Access channel and look at some of the electronic courses that are delivered there. Look at the instructors and look at the information and how quickly it has become dated. There's an Athabasca University course on urban planning, and if you look at that now, only seven or eight years after it was first put in place, it's badly dated and again just points out how expensive and how necessary it is for there to be money to develop and upgrade these programs once they are first developed.

Under the business plan, on page 152 there's rather an astounding statement, and that's to "develop a plan to respond to longer term (5 – 10 years) future enrollment increases." My question: is there not such a plan in place now that the government has used to base decisions on like the access fund and the current funding to institutions? Surely there must be a plan that is in place now. I'd like to know how program decisions are made, what enrollment figures are used to base program decisions on at the present time, and exactly what's involved in developing that enrollment plan.

Looking on page 153, there's an item that says that they're going to "reduce grants to institutions by 3% over the 1996/97 fiscal year." I guess the question is: why? Students have been to the minister. Students have been to the Premier. Across the province they were joined by instructors and administrators asking: why are you proceeding with the 3 percent decrease? Financially the budget doesn't seem to demand that that happen. If the rhetoric, again, about the value of advanced education, adult education is to be believed, why proceed when the emergency that supposedly brought these plans into place has passed? If you want verification of that, you only have to look at the news releases put out by some of the student associations and the disdain, the dissatisfaction, the unhappiness that they feel over their overtures to the government being ignored without any really good reason. As I understand it, the reason they were given was: everyone expects it, so we have to go ahead. If you cast that against the goals of the adult education system, I don't think that excuse is good enough and should be accepted. So my question is: why proceed with the 3 percent?

The minister talked about student loans, and I made a private member's statement in the House earlier. The student loans program has some problems from a variety of perspectives. I still have problems with the ethics of asking students to take out large loans to pay increasing tuitions and to pay for the advanced education system. It just bothers me basically that a government that is so determined that they themselves will get out of debt would be so willing to push students into debt. Somehow or other that inconsistency I find really troubling.

I've heard the rhetoric about how students are the ones that are going to benefit, so they should pay the price. I haven't heard much rhetoric back about the benefits to the rest of society, how we are better off as a community with an educated citizenry. I haven't heard much about the actual dollar benefits of having educated citizens. I haven't heard much about how those students, educated as they are, will use the health system less, how they will use the criminal justice system less, how they'll be better volunteers and better citizens. All the arguments I hear are the selfish arguments about how students will earn more money, so they should be willing to pay. I still question the ethics of sending our best brains, our youngest citizens out into the world with debt loads. The remission program is good, but again it's based on increasing student debt, and I don't believe that in one of the richest provinces in this world, we should be putting forward policies that are . . . [Dr. Massey's speaking time expired]

Thank you.

**8:40**

**THE CHAIRMAN:** Thank you, hon. Member for Edmonton-Mill Woods.

The hon. Minister of Advanced Education and Career Development.

**MR. ADY:** Thank you, Mr. Chairman. I'd like to attempt to respond to some of the points that the hon. Member for Edmonton-Mill Woods brought forward. In his opening comments he talked about our government being preoccupied with cost cutting, that it was all motivated by that, and what good could possibly come from such a direction that we have taken. Let me say that I, too, have been around visiting some of the institutions, and in conversation with one of the executives at a university not long ago, in a one-on-one conversation that person told me that probably the fiscal action our government has taken has allowed them and caused them to make some changes in the institution that

should have been made long ago.

I have to also ask the hon. member to keep in mind that if our government didn't make some of the difficult fiscal decisions that we have made to address the deficit and to try to do more with less, in a few years we might have even less of a postsecondary system than we will have with the direction that we have taken. Having visited with some of my provincial ministerial colleagues from across Canada and seen some of the things that they're faced with and what they're going to have to do to their postsecondary system, I believe that the fact we moved earlier than they and that we're on the way out of this debt problem and are now finding that even in this budget, although the amount of actual new money flowing into the postsecondary system is not large admittedly, it is new money – that's different than any other jurisdiction across this country this year.

**DR. MASSEY:** Did you count the oil and gas we have?

[Mr. Magnus in the Chair]

**MR. ADY:** Be that as it may, hon. member. We could talk about the fact that we have oil and gas and that Ontario has industry. What have they done with those kinds of attitudes but spend themselves into oblivion?

You had some comments about technology and that we shouldn't be putting such an emphasis on it and be expecting so much from it. I'll be the first to admit that new technology is not a panacea for every problem that might exist in postsecondary education or in the delivery of programs for that, but let's understand that technology is going to play a part and that our students must have access to new technology and that they must be literate in it. When we talk about competition with institutions, our institutions are going to be competing with institutions external to this province because of technology and their ability to deliver programs in here by way of technology.

Let's also remember that technology will now allow students to have choices that they didn't have before. If they choose to and they have the ability and it works well for them to take a program external to a traditional residential university or college and if technology can do the job, then why not? To me, it's a way of serving students better than we did without it.

The Cloutier report. Let me say that the report is out and that we are receiving information back from institutions and stakeholders. We'll have a policy paper to respond to the Cloutier report and will release it sometime this spring. We initiated the Cloutier report in an effort to help us set a direction and to better understand what relationship the department should have with the institutions and the research they conduct and how best we could enhance that. We expect that with this process we're going to position ourselves to be much more responsive and beneficial to the efforts that they are putting forward to further their research initiatives.

A member talked about the infrastructure and the fact that we have a very large infrastructure out there, something like \$4.7 billion invested. Some of that infrastructure needs maintenance and upgrading. I admit that; we admit that as government. Now we find ourselves to the point where we will be able to move to deal with that in a meaningful way. That's a priority with me as minister, that we will be moving to the Treasury Board to try to access money to deal with that. Our assessment says that there is probably \$500 million of unfunded maintenance that's required in our system if we had the money today. Now we'll be able to move from a base where we have a balanced budget, and as growth in the economy comes and new funding becomes avail-

able, I'm certainly hopeful that we'll be able to address the infrastructure program that's necessary in this province in a meaningful way.

A member talked about the Alberta Vocational Colleges and something in our business plan that we intimated, that they weren't delivering programs as well as they might. Quite to the contrary. I think the statement – and I didn't look it up, but I suspect the statement says something about: we would continue to ensure that the programs would be delivered in a meaningful way to the students they serve. Let me assure you that our Alberta Vocational Colleges really don't take a backseat to any institutions of like mandate in this country. They serve the needs of a particular clientele in a very efficient way, and we want to ensure that they continue to do that. We want to ensure that they have the governance and the tools and the equipment and the infrastructure to allow them to continue to do that, and that's what's caused us to set in place the task force to review their governance structure.

The hon. member is much like many Albertans. Because the AVCs were tied to our department and reported to our department – in fact, their FTEs reflect on our FTE numbers; they're that closely linked – everyone sees that with a certain level of suspicion, but not necessarily is that the case. I will make the case anywhere that our AVCs have delivered a tremendous service to people in this province, especially those that are disadvantaged and need short-term courses, need upgrading. So they meet that need admirably.

#### 8:50

The member talked about our future plans for future enrollments. I remember two years ago when the hon. member was making a lot of comments about our enrollment problems and access problems in this province. I'm not hearing that from him now. I told him at the time that we would be dealing with that, and we have dealt with it in a very effective way. We have increased access in this province in the face of a reduction of funding flowing through to the institutions. In fact, between 1992-93, before we began the reductions to postsecondary systems, we had increased access by 7 percent, which is fairly significant. Institutions are not telling me that they're turning away great, vast numbers. Now, granted, there are certain quotas, quotas that are full, but those quotas are in place for a reason, and I think the hon. member is well aware of the reason for quotas in some programs.

He asked a question of why the 3 percent reduction. Why did we continue with it? Well, let me say that when we set out with our three-year business plan, it was important that we got our spending to a level that we were confident we could live with in good years and bad years, and that three-year business plan would bring us to that level. If we had fluctuation in our revenues like we had in 1986 and 1987, where we lost 3 and a half billion dollars in a given year in oil and gas revenue, we'd be able to live through that, and we wouldn't have to be going back to the system and carving more money and doing additional reductions in funding to programs. So that's the reason the 3 percent was carried through. That reflects on the base funding for institutions, but at the same time there is new money flowing through to the institutions by way of the access fund, by way of the research envelope, by way of the new infrastructure money of \$5 million. It also allows us to put money back into the system into priority areas. In other words, the base would be established, and then as we move forward and have funding that can go to the system, it can be targeted to priority areas.

The member had some concerns about tuition and the debt level

and how unfair it is. He knows that there's a remission program. Really, let's talk about the student loan system that we have in this province. First of all, students need money for tuition, and the student loan program provides that. Once that's in place, students need money for living expenses. Student loan addresses that. Students need money for incidentals, and there's a list of them that qualify under the student loan program which allows students to access money so that they can get into postsecondary education and get the training they need to be successful in life and make a contribution.

It doesn't stop there. That loan stays in place. Now, the taxpayers are paying probably 75 percent – okay? – of the total cost of education for students on average today. Before it moves to 30 percent, it's probably on average less than 25 percent that they're paying. But the interest gets paid for two years on a college program, four years on a university program, and it doesn't stop there. Then the interest is carried on for six months after without any questions while they get established, and if they have a problem getting employment, they can apply and get another six months and another six months if their circumstances are that.

Let's count up how much really percentagewise the student is paying versus what the taxpayer is paying. Now, certainly there is a recognition of the contribution to education and postsecondary education by the taxpayers when you count up 75 percent, plus at least 50 cents on the dollar for student loans that are loaned. At least 50 cents. So now we have half of that student loan taken up by the taxpayer again.

Many students have said to me – I don't have it in the House with me, but I have some correspondence – that education is still a great investment. They said: even though it's going to cost me some money and I'm going to have some debt, Mr. Minister, it's less than the price of a new car, and a new car will depreciate and my university education is going to continue to benefit me more and more each year and appreciate. So from that perspective I feel like we're getting a good bargain. [interjection] Well, I guess it's all in the eyes of the beholder. The hon. member across the way thinks that it's unfair, but again there's a remission program, and several millions of dollars are picked up annually. In this budget year remission at the end of a four-year program above \$18,300 – and don't hold me to that number, but it's \$18,000 plus – will be again paid by the taxpayer so that that student doesn't go out with a debt that is formidable and one that they're not able to carry.

Mr. Chairman, I believe that the tuition fee policy is fair. It would be great if we had lots and lots of money and could reduce it, but now everyone has to step up to the plate and carry their fair share, the taxpayer and the student. That's where we've arrived.

Did I hear the whistle blow? Okay.

AN HON. MEMBER: You don't have to use all the time.

MR. ADY: I'd like to use it all up. Nevertheless, I will end my remarks on that. I believe I have addressed many of the comments that he made and will hear what other members from the opposite side might have to say.

THE DEPUTY CHAIRMAN: Thank you.

The Member for Edmonton-Whitemud is next. [interjections]

DR. PERCY: The minister just spoke.

THE DEPUTY CHAIRMAN: I did ask the previous chairman

about this, and my understanding is that the Member for Edmonton-Whitemud is next, and then we would alternate back to the government side.

MR. JACQUES: Well, that way, with all due respect, how does a member ask the minister if he replies after every question?

DR. PERCY: Well, you ask the minister not to.

THE DEPUTY CHAIRMAN: The minister in this case is a member of this committee. He's also the minister who happens to be before us at this stage. I'm going to recognize the Member for Edmonton-Whitemud and then the government side.

DR. PERCY: A fair and impartial chair.

First I would like to start off by saying that I, too, am glad to see that the government will be absorbing the cuts in the CHST payments. I think there's enough uncertainty in the funding environment that the unanticipated cuts in the CHST to be passed on to the university system would add even more stress.

The second point I would just make in passing – although I think it's a perception certainly within the university system, at least with the limited number of people I have spoken with – is that although on occasion they may differ with the minister on policy, they never doubt his fairness or integrity. The issues really are just policy issues and focus.

My first set of questions deals with the issue of governance. There are different models of governance for states and provinces. Some states, for example, Mr. Minister – New York, California – have a universitywide system, and they try and integrate and centralize the administration in the delivery of postsecondary education. Other jurisdictions are much more decentralized, and there's something to be said for that. A decentralized system gives you competition between institutions and greater variety, many of the things that we notice are positive attributes of a system, but on the other hand there may be unnecessary overlap and duplication of administrative costs. So there's always a trade-off between a more centralized system that allows for integration and a more decentralized that gives you competition. A classic example is Grant MacEwan and the University of Alberta in terms of competing for students. You know, competition's a good thing. The issue really is though: if you have a plan of where you want to see the education system going, which system works best?

My question, then, to the minister is: are there studies under way in the department that look at competing models of governance for the province as a whole? I mean, this deals with issues of transferability of credits, competition between colleges, the relationship between colleges and universities in terms of specialization. You know, in terms of the program delivery this would fall probably somewhere in 1.0.4, finance and administration services, or in information and policy services, 1.0.7, in terms of the estimates. But what's really at issue: in terms of the restructuring, is governance being assessed and competing models of governance for this system in the province of Alberta?

**9:00**

The second question deals with program 2.9, apprenticeship and occupational training. For a variety of individuals the apprenticeship route is their ticket to stability in employment and to a career in a trade that they choose. I know there have been a number of studies undertaken that try and focus on the attributes of individuals and what will lead to success in the apprenticeship system. What are the constraints out there, whether it be union staffing rules, turnover in firms, firms that basically abuse their appren-

ticeship system, or apprentices that abuse the apprenticeship system? I mean, there's a variety of problems and there's a relatively high attrition rate. Furthermore, it's my understanding that there may now be fees charged for participation in an apprenticeship program.

So my question really is: what studies are under way within the department assessing the success of these apprenticeship programs, the targeting, and the barriers that lead individuals not to complete the programs? Because it is my understanding that there are some programs where the retention rate is low or the outcomes are not as high as one would like. So it's really a question of what studies are under way, what bottlenecks have been identified, and what is being done within the budget to overcome those bottlenecks. I would imagine it requires co-ordination with the Department of Labour as well in that regard.

Another question I have concerns Athabasca University and Athabasca University educational enterprises. This had been identified in the Auditor General's report as a problem in governance. There were a variety of programs that had been set up, and the Auditor General himself had identified real problems with some of these programs. Again, my window for raising this as an issue on what has been done within the department would be the specific grant for Athabasca University, which would be 2.6.1 on page 25, under program 2 of the estimates. It was an issue that in fact I think we had flagged in the House well before these unfortunate outcomes were identified by the Auditor General.

Another issue with regards to Athabasca University is the long-distance MBA program that they're undertaking. I hope it's being operated on a cost-recovery basis, and my question to the minister is: is it being operated on a cost-recovery basis? It would be unfortunate for us to be subsidizing distance learning well outside the boundaries of this province.

Another question that I have for the hon. minister concerns the access fund and one problem, I think, with the access fund. I think it's a valuable tool, but just to use an analogy, when universities or colleges design programs and bring them forward to the access fund, obviously one criterion that is examined is the cost per student. The cost of providing educational services can really vary from institution to institution depending on how you allocate overhead costs. I mean, the classic analogy is railways: how they allocate all of the overhead costs if it's determined their variable costs or the incremental costs of providing rail services – and you can allocate those costs any number of ways between the back haul and the front haul. Similarly with a university in terms of the overheads: how you allocate those overheads really goes a long way to determining what the cost per student is of the innovative program you bring forward. My question is: is there a common set of rules that your department has proposed to ensure that there's not fudging in terms of the costs? I mean how the overheads in a particular program are assessed, because there's a variety of ways that you can allocate these overhead costs.

So my questions really are: what are the criteria used? How are the costs really determined? Do you check the costs to make sure that there's not some underreporting of some of those costs just to get the hands on the money? I don't know, but I do know, having been in a university environment and trying to assess the cost per student of specific programs, that I could come up with any number I wanted, depending on the situation at hand. I think that is always the case, Mr. Minister, when you have to deal with overhead costs.

Another question I have deals with an area of your department that actually doesn't get much play in the business plan. I remember that at one time the department – it has gone through

a number of name changes, but manpower planning I'm sure was in there at some point in the long past. There was a valuable role played then in sort of forecasting labour market developments, assessing where there might be vacancies or holes in the labour market, trying to anticipate shortages, and just a lot of work done on structural changes in the labour market and where the educational system fit in. I believe that work is still being undertaken, but when you look at the ministry business plan, it really doesn't discuss that role of the department in any detail. So I'm wondering if it has been allocated to other departments or if that is still a major theme of the department but the minister has not chosen to highlight it in the ministry business plan.

Another area, again, that doesn't get as much play as one would think is of course immigration. Since it's a shared jurisdiction and the province then does have the ability to negotiate and sign immigration agreements with the government of Canada, I was a bit disappointed that in terms of the ministry business plan and in terms of target indicators or performance, there was nothing specific about immigration, the mix that we were looking for, the flow or the proportion of business immigrants relative to others, or just criteria within there.

Also, I do know that there have been a number of studies which have been undertaken that look at the assimilation of immigrants, the rapidity with which they move up the economic ladder, and the assessment of the cost and benefits that international immigrants to our region provide. I do know that the general conclusion of virtually all studies which look at the cost and benefits of international migration suggest that, on average, the receiving region benefits significantly through a number of ways. Immigrants generally contribute more in taxes than they absorb in terms of government services. They tend to bring human capital with them that has been financed and provided by other jurisdictions and with which we can reap the economic benefits.

In terms of the ministry business plan there's not a lot of discussion about the province's role in immigration and the potential benefits for the province. Obviously, there is an element in departmental support. It's immigrant settlement support, et cetera, and there's one other item there that refers specifically to immigration. But I guess for a province such as ours that increasingly will have to rely upon immigration, given that Canada as a whole has an aging population, this is a labour market that's characterized by a lot of volatility. I was surprised, in a sense, at the balance within the business plan and the smaller weight that is given to immigration relative to what I thought had existed in previous years.

The other area – it's just a general comment – is that the minister has talked about moving towards a greater link between appropriations and targets as it applies to envelopes delivered to universities. But I find it disappointing that when I look at overall targets in the business plan, all I see is a sea of not availables for '96-97. I would hope that what is good for the goose is good for the gander and that there will be a series of specific targets for the department as a whole, as well as the specific targets that will be given to evaluate the performance of various institutions of higher learning.

#### 9:10

The other area I would just like to pose a question on is the whole issue of transferability of credits. This has always been an issue, certainly at the community college level and among students themselves. They're eased from being able to transfer from Grande Prairie community college into the university system as a whole. Depending on the issues of accessibility, some years you hear a lot more about transferability than you hear otherwise. My

question would be to the minister in terms of tracking issues related to transferability of credits. Where do we stand in terms of the satisfaction of students and the satisfaction of the community colleges and the like with the transferability of credits to the university system?

With those comments, Mr. Chairman, I will take my seat. Thank you.

THE DEPUTY CHAIRMAN: The Member for Grande Prairie-Wapiti, please.

MR. JACQUES: Thank you, Mr. Chairman, and thank you, Mr. Minister, for not popping up so quickly.

I assume that my questions will be simply added to the list that you're compiling and will be responding to before the evening is out. However, just before asking that, I did want to make just a few comments. I know that the Member for Edmonton-Mill Woods is very concerned about advanced education and very learned in this area. The issue, however, that money or funding is the only solution to any of the issues or to the problems we have today or even historically I simply do not believe. I do not think it's a credible argument in view of all the facts and the information that we have both available to us and historically.

If we look at your budget, which is a little over a billion dollars – a billion dollars – recognizing that, yes, there are certain funds that come from the federal government, it's nevertheless interesting to note that all the taxpayers are providing a billion dollars in one form or another, all taxpayers. That works out to a little over \$400 for every man, woman, and child in this province. A family of three: \$1,200 every year to advanced education.

I don't think, Mr. Minister, that people can sit back in that context and say that if we double it, spend \$2 billion or even go back to the levels that we saw in the '80s or in the '70s, there's any evidence whatsoever – in fact, almost the contrary – to suggest that our education or our advanced education system was that much better in the 1970s or the 1980s. In fact, if it was, I would suspect that we've got thousands of Einsteins walking around and we just don't know about it.

I also found it interesting, Mr. Chairman, that tonight there was a public meeting in this building with representatives of the University of Alberta, with Dr. Rod Fraser, who is the president, Dr. Piper, Dr. Tupper, a public meeting. There were even representatives from three different media there. I did not see anybody from the opposition there, and it was very interesting. It was a standing policy committee meeting. It was public.

This was a follow-up to a presentation that the University of Alberta had made last year. It was one of the most positive experiences that I've seen in a long time. It was interesting because of the upbeat enthusiasm, the straightforwardness of dealing with critical issues. I would hope that the minister tonight, before he leaves here, shares the response those people gave tonight when asked what was the greatest challenge that was facing that degree and that great institution. They don't match the issues that were raised here tonight so far.

MR. CHADI: So speak to the estimates.

MR. JACQUES: I'm speaking to the estimates as much as the opposition speak to the estimates.

MR. CHADI: That's not at all the case now. I'm going to rise on points of order all night long.

MR. JACQUES: You can rise on a point of order; I have no

problem with that.

You must remember that for the first time and unlike . . .

MR. HENRY: A point of order, Mr. Chairman.

MR. JACQUES: Oh, here we go.

THE DEPUTY CHAIRMAN: The Member for Edmonton-Centre.

MR. HENRY: Under *Beauchesne* 459, relevance. I'm afraid the hon. member has gotten carried away in providing rebuttal to some of the remarks made by the opposition. He somehow thinks he's a minister – maybe he's delusional – and that it's his responsibility to represent the department. Perhaps he should represent his constituents and ask the minister a question.

Thank you.

THE DEPUTY CHAIRMAN: Thank you very much.

On the point of order.

MR. JACQUES: No. There was no citation.

THE DEPUTY CHAIRMAN: Yeah, there was a citation: relevance.

MR. HENRY: Citation 459. The member is obviously not listening.

MR. JACQUES: No. It's very hard to hear you at times.

Mr. Chairman, the relevance is that as a Member of this Legislative Assembly I have the freedom and the ability to stand up here and to make comments with regard to the estimates and, more particularly, to this book, Agenda '96, which was tabled and forms an intricate part of discussion in this debate. We are one of the few Legislatures in all of Canada that does this, not only in terms of the estimates but in terms of the next three years.

Thank you, Mr. Chairman, in terms of the point of order.

THE DEPUTY CHAIRMAN: Thank you very much. In terms of the point of order, I don't find this any more far-reaching than any other debate we hear, and here it is definitely towards advanced education.

I might add that if the members that are on this committee wouldn't mind sitting in their actual places for the benefit of *Hansard* while you're making a point of order, it would be appreciated.

There is no point of order. Continue, Member for Grande Prairie-Wapiti.

MR. JACQUES: Thank you, Mr. Chairman. As I was saying prior to the point of order, I would hope that the minister, prior to the expiry of this evening, will share with us that positive experience and some of those positive answers and challenging discussion that was put forward earlier this evening.

Mr. Chairman, this is related to a question that was brought up by the Member for Edmonton-Mill Woods yesterday when we were in the Committee of Supply with regard to Executive Council. There was a question, and I believe a fair question, put forward by him as it related to the Northern Alberta Development Council, and it related to page 154 in the book Agenda '96 where it says:

Review non-repayable assistance programs to ensure they are addressing the areas of greatest need, and more specifically,

replace the Alberta Educational Opportunity Equalization Grants with loans by 1997/98.

It goes on to say that

a portion of the loans will be offset by remission payments to ensure that the debt levels of high need students are manageable.

Now, I recognize that you're talking about '97-98, that we still have another fiscal year to go on this, but the issue ties back to the fact that students, particularly from northern Alberta, under this program at the present time, because they have to be away from home, incur substantially higher costs than, say, a student living with his or her parents in the city of Edmonton, for example. There was a certain rationalization before for this program. At the same time, we also know that there were certain abuses within that program.

[Mr. Clegg in the Chair]

I would ask you, if you could, to just outline in preliminary terms what you see the program providing as an equivalent amount? Is it going to be an equivalent amount, or would there be different threshold levels? In other words, how would you see the basic criteria of that loan program working to replace what was traditionally a grant program?

Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Member for West Yellowhead.

**9:20**

MR. VAN BINSBERGEN: Thank you, Mr. Chairman. I would like to say a few things about the estimates of advanced education, and I hope that the minister, for whom I have the highest regard, will not take any of my remarks personally.

Mr. Chairman, in reading Agenda '96 – and I really peruse all these book works that we're getting – I was struck by the introduction, which reads thusly: “A highly educated and skilled workforce and access to new knowledge are part of the Alberta Advantage.” Now, that is a most laudable statement, and I wonder to what extent this was backed up by any facts. I think that if we go to what some of the students are saying, we get a totally different impression. I'm reading what was written here by the vice-president of the University of Alberta Students' Union. He states that “students are being asked to pay more for a decreasing quality of education.” Now, that is the other side, clearly.

We had the Member for Grande Prairie-Wapiti wax eloquently about several presidents of universities and other institutions who were apparently speaking before the standing policy committee. They were most enthusiastic about the way in which this government was cutting expenditures; at least I gather that was the drift. What I don't understand is that it seems to me those presidents are sort of in the position of the president of the Alberta Treasury Branches. You know, you can't really expect him to be critical of his boss, the Treasurer. By the same token, I have difficulty seeing the president of the U of A, for instance, telling the minister of advanced education: you're all wet; what you're doing is absolutely ridiculously dumb. He wouldn't do that. After all, he has to report to his board, and his board has been duly appointed by the minister of advanced education. So you see how the circle kind of works. It's one way, of course, of making sure that you are not being criticized for what you're doing as a minister.

Now, how do we evaluate improvement? Let's face it. Throughout the minister's remarks, throughout all the reading we've been given here, there's the underlying assumption that in

spite of having cut almost \$200 million of the budget for this department, the quality – well, I kind of get the impression the quality is even better, has improved. It certainly has not decreased. That leads one to the question: well, how is this being evaluated? So we look at – what are these things called again? – performance measures, et cetera, et cetera.

I found it very interesting. In the process I got to annual institutional costs per learner indicator. Now, this is to be found in the estimates itself. We see, for instance, that a four-year program at universities on average in 1991-92 cost \$11,000 and another \$226. It is projected to have cost only \$10,290 over the past year. Of course, we don't know exactly what it was. So it is a decrease of some \$1,000 off a four-year program. That's a fantastic indicator. But, Mr. Minister, what in tarnation does that evaluate? What it says is that it costs less – by \$1,000 – to educate, on average, the student in a four-year program. But does it say anything about the quality? Absolutely not. I defy the minister to tell me that the quality of education has remained the same or in fact even increased.

If the minister is interested only in the bottom line – and those are the only performance indicators I really can see here – I suggest to him the Butterdome solution. Just herd every student in the whole province who is taking, for instance, English 200 into the Butterdome and go at it. You can pack in there about 5,000. It will drastically decrease the average cost of an average university program. So that is the quantitative measurement.

On we go. Mr. Chairman, I have a few other things that I want to look at. I'm turning to the budget book itself, where I kind of got caught up in the goals here. As usual, the goals read almost like a success story, and I keep thinking that if you repeat these goals emphatically enough, more and more people might end up believing it. There was someone historic who was very good at that. I won't mention his name.

Mr. Chairman, “the system will increase access for motivated Albertans to a diverse range of quality learning opportunities.” Now, to my knowledge and in my opinion this flies in the face of what we see all around us. I think in fact there was a decrease in enrollments at various universities and colleges for the very simple reason that the students found the idea of coming up with ever increasing amounts of money and having to face ever increasing amounts of loans just simply too onerous to do. They were not willing to incur those kinds of debts over a four-year period. I know of quite a few students in my area who instead decided, “I'm going to work for a year,” and who, say, over the last two or three years ended up finding a job in one of the local mills or mines.

Now, you may say, “Hey, those guys must be lucky, because after all they're making \$60,000, \$70,000 a year,” quite a bit more than a Member of the Legislative Assembly, at least on this side of the House. The point, though, is that they wanted initially to go and further their education at the postsecondary level, and that was denied them because of the cost. So I find that particular goal a very worthy and laudable goal, but I don't think we've gotten any closer to it. In fact, it seems to me that we have actually retreated from it.

Research excellence. I know the minister has put more money towards attracting research professors and the like, and this is of course after a whole slew of them have left the province for greener pastures because they didn't like what was happening here. That's clearly a case of throwing money at a problem.

The system will be more responsive, and it will be more affordable. I'll take those two at the same time. What with higher tuition fees and fewer grants and therefore more loans – now, this is something I don't understand. If the minister is truly

interested in getting the most out of students for the least amount of money, why doesn't he give them grants? You know, grant them part of the loan for high achievement or good achievement or whatever you want to call it. Set the standard somewhere there so that these people are rewarded directly.

The accountability. “The system will increase its accountability to Albertans for the results of publicly funded learning opportunities.” Once again, when we only look at the financial evaluators, performance indicators, or whatever the term is – I always get confused by all these beautiful terms – one loses sight and one loses track of the quality. What is it doing to our students?

Mr. Chairman, there is one more item here, and that is the total absence of mention of the consortia. The minister is very much aware of that particular way of providing students with post-secondary education. It's called a consortium, and of course it means that in a place like, for instance, Hinton or Edson – actually, the centre of the Yellowhead regional educational consortium happens to be in Hinton where in a rented location there's a small staff that organizes courses that are offered by contract from different postsecondary institutions, university courses. We're looking at AVC courses, and we're looking at Grande Prairie college courses.

9:30

Now, to my knowledge – I've been told, and I'm not an expert in this field at all, but I would like the minister to comment – this is the most inexpensive way of providing postsecondary education, yet there is no mention in here, absolutely no mention. It is cost-effective, and the quality, I'm told, is reasonably good because, after all, you're dealing with instructors who are being contracted from established universities and colleges. So why are we not emphasizing that? Why are the funding amounts so low for those particular institutions like YREC in Hinton and other consortia? I would suggest that we could put more money in there and have them attract more people rather than creating more places at crowded universities. So, Mr. Chairman, I find that increasingly important.

There's another reason why the use of consortia is important. It tends to decrease the two-tiered system in advanced ed that is in force, and I'm referring to the two-tiered system between urban and rural students. I think the minister personally will be very much aware of the situation where there are certain impediments to rural students going to postsecondary education. Distance is one because of the costs, whereas if they can stay at home and sponge off their parents for a little while longer, then the costs are decreased monumentally for them. So, Mr. Chairman, all the more reason, for the sake of the rural students, to put more money into those particular educational institutions.

Mr. Chairman, I have a couple more things here that I would like to say. I'm looking at the highlights for 1996-97: interesting highlights. I don't want to go through all of them. They read almost like a novel at times. There's an allocation to the employment alternatives program to work with unemployed Albertans to develop their employability skills; I think it's an excellent program. But I don't see anything in here that refers to measuring the success of those programs. I know there are thousands upon thousands of students who go into it, but how many actually come out of it having successfully accomplished what they set out to do? The EAPs.

The accessibility indicator. The ministry is measuring their participating in postsecondary programs, and Alberta ranks first, and so on. That's great, but again, how many actually finish? How many come out of those institutions with a degree or a certificate or a diploma or whatever? That's far more important,

it seems to me.

Then we go on to the adult literacy indicator. I'm very pleased to read that Alberta is ranked first in numeracy with 70 percent and I think second in reading with 71 percent. All I can say is that for sure it says something about our public school system, but it says very little about advanced ed unless we know exactly how many people learned those skills as adults. We don't know that, so this is rather meaningless, I submit.

I've already spoken about the annual institutional cost per learner indicator. I would like to just refer to a recommendation from Mr. Gilles Cloutier in his report. Mr. Cloutier says:

The government, through the Minister, should clarify . . .

And I think this is extremely important.

a) the importance it attaches . . .

That is, that the government attaches.

. . . to universities and university research programs, and the contributions they make to life in Alberta, and

b) the level of priority the government is prepared to give to university research.

I think it's important to make that statement and to act accordingly.

I was going to delve into the Auditor General's recommendations, which to my knowledge have not been implemented, yet I think they're very good. They talk about tracking, they talk about identifying the outputs being funded and their costs, and so on and so forth, but I will leave those points to be made by some other people.

So, thank you very much, Mr. Chairman, and I wish the minister luck.

MR. DOERKSEN: Mr. Chairman, could you clarify just a point briefly in terms of the procedure here? Does the minister need 20 minutes to answer the questions that have been raised yet?

THE CHAIRMAN: There's really nothing to clarify. It's fully up to the chairman to decide who gets to speak, and we're certainly wanting the minister to be able to get in. After we have an opposition speaker, then we'll have the minister.

MR. DOERKSEN: I know there are some other members who do want to speak, so I will be quite quick and to the point and raise some questions on about four different issues. The Member for West Yellowhead actually talked about one of them.

Embedded somewhere in the numbers must be the government's commitment to English as a Second Language. I know this isn't necessarily all in your purview, Mr. Minister; some of it probably belongs to the Minister of Education as well. When I look at the adult literacy indicator, which was referred to just earlier, while it shows that Alberta is doing very well compared to the rest of the country, this still leaves 30 percent of adult Albertans who cannot read, which is a significant number. I wonder if the minister has had any analysis on what effect the lack of knowledge of English has on that particular indicator. In other words, do all of the 30 percent who do not have reading skills to meet everyday demands – is that a function of their inability to read and converse in the English language? Obviously if it is a significant component, I think that we need to direct our resources in that particular area.

Another note on that same topic. We've had some discussion about technology in this Chamber tonight, and that is very, very important, yet with technology and the use of even the Internet or other technological advances the ability to read is very critical to be able to use that technology. So the literacy indicator is a very significant indicator. I'm glad to see that it's in the business plan, and if the minister could look at that area, I would appreciate it.

The second part I want to raise has to do with the performance-based funding. I'm going to speak now more about Red Deer College than that section as a whole. How does the performance-based formula help to affect the performance in terms of – well, let's refer to page 35, Mr. Minister, where we have some indicators to do with the annual institutional cost per learner, and in there we identify public colleges. So within that particular indicator there are going to be a number of colleges that will be at varying degrees on that per learner indicator. If the minister could clarify how the performance mechanism might help to bring those to a compatible level so that the institutions that are being efficient in their allocation of resources will be able to benefit from those indicators.

9:40

I'm also wondering if the minister could let me know, again with the performance-based system, whether there's going to be any incentive for institutions to work together. For instance, I know that Red Deer College is very anxious to broker degrees, more than they have right now, with other universities. Is there any incentive in the performance-based funding to make sure that that happens to encourage our institutions to work together to deliver education to our students, which benefits everybody, and get away from, "This is what we do" and "This is what we do"?

Then, Mr. Minister, we've had a fair discussion about student loans and student finance, and I want to take just a little different angle than what the discussion has been around here tonight. I'm looking at page 28, which identifies a risk premium of just about \$20 million. Now, when we asked the chartered banks to take over the administration and collection of the student loans, I expected that there would follow a natural decrease in the amount of money the government was having to forgo because loans weren't collected. I'm not sure – again, from the numbers it's not clear whether we've made some progress in that respect, whether collection or repayment is in fact better than it used to be, and whether in fact we're committed to the \$20 million and have to pay that out to the banks or whether there can be some savings in that particular category.

Finally, Mr. Minister, just with respect to the access fund. I note that the access fund in the budget – this is under 2.8.1 – indicates there's only \$35 million as opposed to the \$47 million, I think, that was announced in January 1994. So some further elaboration in terms of what happened to that and if it was redirected, the reasons behind that change in the numbers.

With those I will take my seat and let others speak.

THE CHAIRMAN: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you very much, Mr. Chairman. As always, making wise decisions, ensuring balance in the Assembly.

I'm pleased to rise and speak to the estimates for Advanced Education and Career Development. I do have a few comments, and I will keep them brief, provided there's relative silence on the other side. I want to start off – and I raised this concern with the Treasurer but a week ago. You'd be surprised at how many different ways we can use the Alberta Treasury Branches in this Assembly. This is yet another, and it doesn't pertain to professional football. It does however pertain to the provision of student loans.

Now, I understand that your original negotiations and agreements were with the CIBC, I believe, and then maybe the Toronto Dominion Bank as well. No, it wasn't included, but there were some other major lending institutions, private lending institutions, and I'm curious as to why you wouldn't have started that process

that was previously internalized within government and pursued it through channels within the Alberta Treasury Branches. It seems to be a natural extension of the mandate of the Alberta Treasury Branches, and if anything, I'd think that you would have encompassed the ATB prior to looking to the CIBC. So I wouldn't mind some elaboration on that area.

Secondly, I look to page 27 of the estimates, where you refer to the expenditures in employment preparations and work experience programs and then to page 33 where you provide some of the highlights for '96-97, indicating \$99 million will be spent to skills development and \$13.6 million will hopefully address some of the areas in the employment alternatives programs, then \$10.1 million to work experience initiatives. My curiosity in these areas also pertains to what the Member for West Yellowhead brought up as an area of concern, that despite these programs dealing with I think in excess of a minimum of 33,000 people – that was according to last year's comments and estimates – these areas aren't addressed as specifically as I would like or as specifically as needed given the significance of the expenditure.

In addition to what was asked by the Member for West Yellowhead – whether the programs were completed successfully and whether diplomas were provided as a result of some of these programs – I'm more curious to see some of the longer term results as to how beneficial the programs are. We know people are going into them, but is it making a significant difference in terms of employment? The employability indicator you used for the universities, colleges, technical institutions, and also the AVC, I would like to see extended to these other programs, because I think all of them fall into a category which ideally prepares people for employment. So if we're addressing it as a measure for these other sectors, I'd also like it to be addressed for the programs that are contracted out or administered by the department.

My next point that I'd like to make – and I brought this up with the minister for science and research – is: there's a significant amount of research that takes place in the advanced education area, in our higher level institutions. I'm curious to know, given the efforts that have been put into consolidating the budget, whether you've reviewed or assessed the possibility of amalgamating or consolidating the department of science and research within your area and whether that would at all be a comfortable fit. The savings that I think could be realized there at the very minimum are the quarter million dollars in administrative costs of the ministry of science and research, and I know the Treasurer would be anxious to look at that.

I've asked the same question of the Minister of Economic Development and Tourism. I think it would be to the benefit of the taxpayer at the very least to see a consolidation, and if consolidation isn't possible, then perhaps an explanation as to why the ministry must remain separate despite your department handling a significant amount of research dollars and promoting research through our advanced institutions. So that is another area.

One area puzzled me, and that was in the throne speech just at the start of the session. One of the comments in the early part of the speech in effect was to “attract new faculty in areas of research excellence.” Although I believe that is a positive and a beneficial goal that should be the goal of government, I'm curious to see what number of faculty in the area of research we've lost and whether we're just now replacing people or whether in fact we're adding additionally to the base that we had some two or three years ago. We did have some of the world's best researchers, and I'm curious to see what changes occurred over the last while.

In terms of the settlement services in particular, I guess as it is

addressed through immigration or the demographics of Alberta – and I have to say that these are comments I'm I guess borrowing from the Member for Barrhead-Westlock that he raised several days ago in an Economic Development and Tourism estimates committee. He indicated that in 1971 there were roughly 1.5 million people in Alberta and that of those 55,000 were students. Now in 1996 with roughly 2.7 million, just under 2.8 million people we still have in the area of 55,000 students. That is a bit of a concern to me, because it's clear evidence that we have an aging population and that the demographics are changing dramatically. What are we doing on the settlement services side to address that issue, which can become a real issue some years down the road as to labour force? So those are essentially the concerns that I have at this time.

*9:50*

Just in closing there is one more that I'd like to raise. Through the work of the Assembly we have put into place two committees, one being the Alberta Economic Development Authority and the other being the Alberta Science and Research Authority. I'm curious to know whether they also make recommendations to your department. I know they deal in large part through the minister of science and research and also through the Minister of Economic Development and Tourism, but I'd be curious to know whether you get the benefit of the committees' work as well.

With those few comments, Mr. Chairman, I will take my place and provide the minister with an opportunity or other members who wish to speak and raise valid questions and concerns the opportunity to do so at this time. Thank you.

THE CHAIRMAN: The hon. Minister of Advanced Education and Career Development.

MR. ADY: Thank you, Mr. Chairman. I would like to have an opportunity to respond to some of the questions that were put by members opposite and also some from our own side.

The Member for Edmonton-Whitemud was curious if we had looked at competing forms of governance for institutions, and I can tell him that, yes, a couple of years ago we explored options of regional boards, and it was rejected in the public consultation that we held. I can say that Alberta's universities and colleges are highly integrated.

The member asked a question about the ability for transfer courses between colleges and universities. Only in Alberta and B.C. do we offer university transfers, and that's due to the success of our board that deals with that exclusively, to enhance that between institutions.

Let me say on the governance issue again that we do have some pride in the diversity of our respected institutions, and we respect the autonomy they have. So the governance structure isn't really as critical as ensuring a full and effective accountability system, and that'll be enhanced through the KPIs, the key performance indicators, that we are putting in place and have put in place and the performance envelope that will follow.

The member also asked some questions about the apprenticeship program. I welcome those questions, because apprenticeship in this province is really important, and we've always had a leadership role here. Although we only have 9 percent of the population of Canada, we train 25 percent of the apprentices in this country. We have approximately 23,000 apprentices currently in this province. He asked a question that pertained to there being quite a few dropouts and those not completing. That picture isn't accurate. The statistics are a little bit deceiving there

because sometimes apprentices move from program to program, and it shows an incompleteness when in actual fact if you track that apprentice, he'll show up somewhere else in the system. So it skews the actual completion rate. But we expect there'll be 4,000 apprentices graduating this year in this province.

The member also asked some questions pertaining to Athabasca University. He seemed curious about why there was a \$2 million reduction additional to the 21 percent that was imposed on Athabasca University. I think we have to understand that Athabasca University has a particular mandate. At the beginning of our business plan two years ago we set out a refocused and renewed mandate for Athabasca University to ensure, first of all, that they met the needs of the students they were originally mandated to serve, recognizing that their graduation rate was very small, but by the same token they were providing fill-in courses for students who wanted to access other institutions. Again, it was difficult to evaluate totally their accomplishments, but we did renew their focus and their mandate. It appeared that we could enhance their activities with other institutions and thereby enhance opportunities for students to gain knowledge by accessing the programs that were available from Athabasca University.

The member asked how the department could ensure that there would be no hedging on program costs in the access fund. I have to say that I think that's something that we've worked very hard on, and the access fund committee also worked hard on that. But we wanted to be sure that we were comparing apples to apples. Proposals were weighed off against each other from various institutions, and awards were made on those that were seen to meet the criteria the best. By and large the access fund program has been very successful, because we have with the first two cycles been able to increase student spaces by about 5,500 in the province with only expending about 10 percent of the money that was in the \$47 million. So I think it will be incumbent on us to initiate an ability to quantify the very things that the member brought forward to ensure that there isn't hedging. I'm not sure that we can ever be one hundred percent accurate with that, but certainly it's worthy of pursuit, and we will be endeavouring to do that to ensure that everyone has a fair and equal chance to participate in the access fund.

The member asked some questions about immigration. I think we need to be clear that immigration primarily falls under federal jurisdiction, under the federal Act. We did bring forward a government policy paper in the province. We have been negotiating with the federal government over the past few months to endeavour to get an immigration agreement with them. We don't have that yet. Now with the change of ministers it's set us back in those negotiations to some extent, but we intend to pursue that. Once we have an agreement and we know what our jurisdiction is, then we can move forward to let it find its place in our business plan in a more obvious manner than it has in the past.

#### **10:00**

He asked the question: why are there are no targets for department performance measurements? I can tell him that those are being developed. We are doing that in consultation with the stakeholders because, really, our responsibility is to them to ensure that the government fulfills its function for the postsecondary system. So I believe it's incumbent on us to involve them in what they would see as something that could be measurable for our performance in addressing that.

I've already talked about the transferability. Alberta has, I think, the best transfer program in Canada, and we continue to improve it. Our students appear to be fairly well satisfied with it but occasionally find that they bump up against something that

doesn't work well for them. We did put in place an opportunity for students to appeal to ACAT when they felt there was a circumstance that was being imposed on them that was unfair by way of transfer and that could be weighed off and worked out with the two institutions or the two programs that were involved, in an effort to satisfy the needs of the student, and of course that's what the whole exercise is about.

I'd like to move to the Member for Grande Prairie-Wapiti. He had a question pertaining to the equalization opportunity grant, which was a grant that was in place for students who had to be displaced to access our postsecondary system, primarily rural students. Wherever it was, whether it was in the north or the south or wherever, if they had to leave home and relocate, there was a grant available to them, a maximum of \$2,000. The decision has been made that instead of that being a grant, it would be a loan. Realizing this may cause the students to increase their debt load, we can bear in mind that the remission program remains in place to offset any increased debt load that would be imposed on the student because of the elimination of the grant to them. I can tell the hon. member that, no, the amount of assistance to rural students will not decline. They'll still be put through the needs assessment process, and they will receive the amount of funding they need in accordance with what their families can support them with and with their own savings. They'll be assessed, and they'll receive the amount of funding they require to access postsecondary education, but there will not be a grant after this fiscal year. So I don't believe he needs to be concerned about that. Perhaps if the chairman of the Treasury Board had been more lenient with us, we wouldn't have had to do that, but since he seems to be giving me some help over here, I'll help him out a little.

A question was asked by West Yellowhead, why don't we expand the role of the consortia as an enhanced means of delivering postsecondary education? I can say that there is a key role for the consortia and other innovative agents for delivery. We have a system of delivery in the province that's really second to none. I'm not sure other provinces have all the ways of delivering postsecondary that we have or do it as effectively. It includes the regular institutions, the further education councils, the consortia, and the private institutions. We encourage collaboration and brokerage arrangements.

There will be a key role for the consortia in our virtual learning envelope as we move forward with that. So I don't think he should be concerned that the consortia will be left out or that they won't have a role to play. Our consortia model is being copied in a variety of other jurisdictions. It's a means to bring a wide array of programs to areas of a relatively low-level population which could not sustain a campus. I think, though, that we can recognize the good work that Yellowhead consortium has done, because they are quite some distance from any campus, so the consortium does fulfill a big need. We have four consortia in the province - Big Country and Chinook and Pembina and Yellowhead - and they all certainly perform a service to the students of our province.

One point I would like to make: several members have asked questions pertaining to the employment preparation programs we have, how beneficial they are, and what the outcomes are from them. I'd just like to give you some statistics on those if I could. I know that you're waiting breathlessly for them, but the members did ask for them. In the employment alternatives program we had 3,853 clients, and this is in a sample group going through so that we could give outcomes from there. Full- and part-time employment rates: 81 percent received full-time employment, and 19 percent got part-time employment after going through that

program. Their average wage – although not high, they were able to enter the workforce and begin to get experience, which gives them an opportunity to move into the workforce – was \$7 to \$10 per hour. The duration of work, or the percent of clients working: 66 percent, and that's 12 months after having completed the course. On the training on the job – let me just do another one that has a larger number in it. Job placement: 2,211 clients, and 99 percent received full-time employment and 1 percent part-time. Their average salary was \$7.60 an hour.

So I think we have a success story with what we're doing with people who really were disadvantaged in the system and didn't have an opportunity to get some training and come off welfare and have a better quality of life. I'm convinced that it's the right direction to go. As opposed to having a passive welfare system, we have a proactive one. Students are benefiting by it, and society will benefit by giving them the opportunity they deserve to be a part of society and make a contribution.

I think there were a couple of people who wanted to make just a comment or two. I'll give them the time to do that.

**THE CHAIRMAN:** The hon. Member for Edmonton-Centre.

**MR. HENRY:** Thank you very much, Mr. Chairman. Although the Member for Edmonton-Rutherford says that I haven't been able to say my name in two minutes or less, I see everybody's telling me I have two minutes here. Although the rules do say that I have 20 minutes; don't they? Yes. Thank you for that affirmation.

I do want to raise, jesting aside, a few issues with the minister that have been brought up to me in my constituency. As the minister well knows, I have a couple of postsecondary institutions in my riding, that being Grant MacEwan College, the city centre campus, as well as the downtown AVC. Also I represent a number of students who attend the University of Alberta because of the linkup with the LRT system. Here are some of the issues that have been raised with me. One reflected particularly on student loans and the Students Finance Board. I'd first like to state that I appreciate the co-operation I've received in my constituency office from the Students Finance Board. I mentioned this last year in debate, and I continue to get that good response time from them when I have inquiries on behalf of constituents.

I do want to echo the comments made in the private member's statement by the Member for Edmonton-Mill Woods today. We have increasing worries that we're not creating a culture of learning but that in fact we're creating a culture of debt with our young people. Given the kinds of jobs that are out there and given the time it takes young people to get into long-term employment, saddling them with exorbitant debt I don't think is a good way to go. I just wanted to register that particular comment.

#### **10:10**

Moving on to other issues. I know that the minister has been reviewing the governance structure of the AVC. I've heard from both employees and students of the AVC in my riding, and I want to put a plug in here for a model that I think would work. I believe that the ministry has said that it's a given that the AVCs are no longer going to be administered directly by the department but are going to have some other governance structure. My plea is not to lump the AVCs in with community colleges or with other institutions, because I believe they do have a specific mandate. One model that might work might be some sort of board, I guess, that would perhaps govern the AVCs provincially. So my plug for the minister is not to lump AVCs in with another kind of

institutional learning, because they do have a clientele that's different from that of the community college in my riding. I believe the kinds of education and the kinds of services they provide are distinctly different, and they could get swallowed up. We could lose that if they just go under a wing of a community college. So I'm asking for a stand-alone kind of operation.

I'd also like the minister to follow up on the situation with Viscount Bennett school in Calgary. I recognize that's currently under the Department of Education, but the answer from the government has been that those students will be able to receive adult upgrading at AVC. I'd like the minister perhaps to look at the cost-effectiveness of that, the cost per unit of provision of that service at the AVC in Calgary as opposed to providing it through the Department of Education at the Viscount Bennett school. I think there are some interesting figures that are available there that I've looked at that would question the economies in terms of transferring all those students out of Viscount Bennett.

Also, I couldn't help but respond to the statistics that the minister just raised with regard to tracking of EAP students and looking at the kinds of jobs they get. I challenge the minister that if we think we've achieved success when people have graduated and are moving from these kinds of programs to \$7 an hour jobs, I think we need to reassess our definition of success. Eleven hundred dollars a month, as many of them are, to raise a family isn't a lot of money and in fact with a couple or three children wouldn't get them off the welfare rolls. They would still be eligible for top-up. At that income level if we really want to move the quality of life in this province forward, I think we need to ensure that people are trained for jobs in sectors that are high paying.

Moving fast, Mr. Chairman, I want to comment briefly on the issue of immigration and settlement services. I know that the minister is negotiating with the federal government, and I know there's an initial position paper. What I would like to see is an update from the minister in terms of what the latest position is that has been put forward to the federal government. Again, the department issued an initial position paper on immigration and settlement, and I'd like to know what the current position is and where we're at. It's obviously changed through negotiation. I know that there's some concern out in the community. I don't want to use the word "secret," but negotiations are not being held in the open. People don't know where we're at and what further positions the department has put forward. I'd like to see and want the minister to table correspondence with the federal government as well as any differences in position that have been advanced since that original position paper as well. I'd like the minister to let us know how this relates to the federal consultation that's going on with regard to the provision of services, because that's happening right now, and it seems that the right hand doesn't know what the left hand is doing.

I would like at another point to talk about some of the impacts of budget reductions on our postsecondary institutions and specifically on the students. I won't go into some detail of that, but perhaps what I can undertake to do is to write to the minister about some of the observations and comments that have been made to me by people at the postsecondary institutions in my riding. Then I'll write to the minister and let him know what's happening so I don't take up time. I think people are starting to point to the clock.

As well, in terms of the career development, the provincial government's department of vital statistics is gone, and I'd like to know what kind of tracking the minister is doing with regard to job creation in our province and again specifically a breakdown by sector and a breakdown by nature of employment, part-time

and full-time. The statistics I've seen from the federal government tell me we're creating a lot more part-time, low-paying jobs and not a lot of high-paying, long-term, career oriented jobs in our province.

With those, Mr. Chairman, I'll take my place. Hopefully, I'll have another time. Maybe we can bring this department back, and I can bring up some more of the issues, but I recognize the time.

Thank you.

THE CHAIRMAN: The hon. Minister of Advanced and Education and Career Development.

MR. ADY: Thank you, Mr. Chairman. I appreciate the comments from the member opposite about the Students Finance Board. I do believe the Students Finance Board does try to be responsive to members because they know that the members are acting on behalf of students who feel that they have bumped up against something that doesn't work well for them, and oftentimes their MLA is able to intercede for them and work out the problem. But I do appreciate the acknowledgment of that.

The member expressed some concerns about the Alberta Vocational College governance, and I spoke about that earlier. I hope that the member took time to put his case to the task force. It seems that his overwhelming concern has to do with opposition to a merge of the AVCs with the college system or with some adjoining college. I recognize that as the main concern he has. He recommends perhaps one governing body for all the AVCs. I think we'll have to weigh that off with what the committee has in their report and take a direction from that.

The issue of the students at Viscount Bennett is an interesting issue. We have about 750 or 740 students who are 20 years of age or over who attend Viscount Bennett for academic upgrading. They're adult students. They are there, and two years ago when we initiated our business plan, the Department of Education moved to vacate that responsibility for adult students. Consequently, they were assigned to my department, which realistically is where they belong. We have responsibility for adult learning in the province, so we assumed that, but we also came forward with a proposal at that time for institutions to prepare themselves for students in those programs to be cost recovery. Viscount Bennett were apprised of that, and they were given funding at that time to allow them to do program development and for capital expenditure in order to prepare for that time when they would be expected to have cost recovery.

**10:20**

Today those students are expected to pay \$250 per course for their tuition, and all of the other institutions that have students under that program are able to carry their students based on that. The Alberta Vocational Colleges are certainly playing a big role in that, as is Alberta College, and seem to be able to handle that. The only one who isn't able to do it now, after having entered into a tentative agreement two years ago with that funding, is saying that they have to have the funding on an ongoing basis or they can't continue. So we find ourselves with a bit of a dilemma, and 700 and some-odd students are in the middle of this discussion. We'll continue to work with Viscount Bennett to see if we can assist them in getting their costs down to where they can afford to carry these students and keep them there or explore other alternatives with them, but we do not have ongoing funding to give by way of a grant for that program.

The member asked about immigration. Again let me say that, no, the provincial government has not changed the policy on

immigration. We're still negotiating with the federal government. I don't think there's anything secret about our negotiations because there's not anything really secret about immigration. It goes on. We know the components of it. Our policy is out there. We're trying to promote that and to get an agreement based on that, and hopefully within the next few weeks we'll have something start to emerge, having given the new federal minister an opportunity to get her feet under her and her new portfolio and to deal with it.

The jobs stats that we publish monthly are taken from Stats Canada statistics. They're not our own. Whatever we publish is taken from there, so we're using the same ones that you're using, hon. member, and hopefully you can accept those at face value.

Mr. Chairman, having had an opportunity to answer several of the questions that have come from hon. members opposite, I move that we adjourn debate and that we rise and report.

THE CHAIRMAN: The hon. Minister of Advanced Education and Career Development has moved that we rise and report. All in favour, say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed, if any? Carried.

We obviously have a little short break here until the other committee comes back.

[The committee adjourned at 10:24 p.m.]

