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| Alberta | 26e  | 1re  | Remarques préliminaires à l’étude des crédits du ministère de l’Éducation | 4 mai 2005 | M. Gene Zwozdesky | Ministre de l’Éducation | PC |

**Mr. Zwozdesky:** Thank you very much, Mr. Chairman and to my colleagues for that thunderous applause, most of which has to be shared with some members of my staff who are attending this afternoon. I’d like to just quickly introduce and thank my deputy minister, Keray Henke; the assistant deputy minister for corporate services, Mat Hanrahan; his staff members Jeff Olson, the executive director for budget, school finance and reporting sector, and also Mr. Gene Williams, director of budget and fiscal analysis branch; as well as a number of other staff who are either listening and/or will be reading this later, including our other ADMs – Jim Dueck, Rick Morrow, and Lois Hawkins – as well as my own EA, Pam Boutilier, and, of course, our communications director, Kathy Telfer.

These are outstanding individuals, and I would ask the House to please join me in a round of thanks to them, especially to Mat Hanrahan and his crew, who have worked very hard through the Christmas period and on other occasions through weekends and Saturdays and Sundays and whatever. Thank you very much to all of you, Mat, to you and your staff for doing 14 drafts of this budget that we’re going to be I hope approving today.

Mr. Chairman, I also want to just quickly mention that I have in mind to do some of my comments in French, and I’ve distributed those comments in a translated form to all members of the House. They should have them by now.

With that, I’d like to start. I want to stress how very pleased and honoured I am today to present my ministry’s budget estimates and our business plan, and I want to put it in the context of our government’s 20-year strategic plan. As members here will know, that plan is supported by four pillars, and education is the central component or a key contributor to each and every one of them. In fact, the first pillar is called Leading in Learning, and that pillar carries with it the long-term commitment of our government to education. Alberta’s education system, of course, must provide quality programs that meet students’ needs and ensure that students have the best chance for success. As a result, the majority of Alberta Education’s 2005- 2008 business plan and our 2005-2006 budget continue the implementation of the recommendations from Alberta’s Commission on Learning.

Now, because we continue to review certain Commission on Learning recommendations, such as number 2 regarding junior kindergarten, such as number 3 regarding possible full-day kindergarten, and number 81, which recommends that we “create a new approach to collective bargaining,” those particular items will not be seen in this budget today because decisions have not yet been taken on them.

However, other strategic priorities that we are addressing in this budget include: readiness to learn, which helps children before they start school; curriculum revitalization, such as the new social studies curriculum; facilitating transitions for young people who are completing high school; investing in technology to yield the greatest benefits for our students; and, of course, balancing our fiscal, human resource, and policy priorities with rising costs and ever-increasing public demands for choice, flexibility, and adaptability.

Albertans expect our education system to improve continuously, to respond to diverse learner needs, to be fiscally responsible, and to be accountable for results. This budget before us today, Mr. Chair, does exactly that because it focuses on our students and on our classrooms where our students go.

This budget provides a 7.1 per cent, or $287 million, increase in program support for the basic education system for a grand total of $4.3 billion. This budget also responds to many, albeit not all, of the items that were brought to my personal attention during the meetings that I held earlier this year with every single school board in our province. That, Mr. Chair, was a record, as most members of my staff will attest, but what a tremendous record it was because it gave us some unique opportunities. In fact, as a result of some of those meetings, this budget also addresses their concerns as well as many of the recommendations coming out of Alberta’s Commission on Learning, areas such as class size, daily physical activity, technology, special needs, and so on.

Before we get into the nitty-gritty of the budget, I just want to explain that the Ministry of Education budget has two primary funding streams, the first of which is what we call voted government and lottery fund estimates, which total $2.85 billion, or about two-thirds of our budget, and which we will be voting on today; secondly, education property taxes, which total about $1.45 billion and comprise the remaining one-third of our budget.

I wish to further explain that about $1.28 billion of that $1.45 billion resides in the Alberta school foundation fund, which is governed by statute, and the remainder, about $177 million, goes directly from the local municipality to the local separate school board where we have so-called opted-out school boards. In any case, the $2.85 billion in voted estimates coupled with the $1.45 billion in education property taxes that I just alluded to brings the total support for basic education, K to 12, to $4.3 billion.

Now, our voted estimates begin on page 113 of the 2005-06 government and lottery fund estimates book. Program 1, ministry support services, is the corporate function of the department. As you can see, support to this area will increase by $4 million. The majority of this increase, almost $3 million of it, in fact, is in support of new technology for the school system. It includes items such as provincial Microsoft licensing, supplying student transcripts, and providing other resources to advance classroom learning opportunities. The balance is for the restructuring of the former ministry of learning into two separate ministries, Education and Advanced Education, and also for staff salary supports and for meeting government’s shared service agreement with the Alberta Corporate Service Centre.

Program 2, support for basic education, is very extensive and will likely consume most of our time here today. Support in this area will increase by $234 million, or 9.5 per cent, and goes almost entirely to increased grant funding for 62 school jurisdictions, 13 charter schools, and 267 accredited private schools and private ECS operators. Together, Mr. Chair, all of these entities help educate more than 590,000 children and youth across our great province.

Support for basic allocations includes grant dollars for our renewed funding framework, which will be going into its second school year of implementation this September and will provide boards with increased funding and more flexibility to spend those funds on local priorities; grant dollars for our class size reduction initiative; grant dollars for professional development for teachers; and millions of dollars for items such as technology initiatives, teachers’ pensions, accredited private school support, Alberta initiative for school improvement, or what we call AISI projects, student health services, high-speed networking to connect schools to SuperNet, learning resources centres, and amortization of capital assets, and so on.

The renewed funding framework bears some additional comment because the renewed funding framework gives our school boards greater flexibility in determining how to spend these funds to meet their local needs. Under this particular framework, Mr. Chair, support to public and separate school boards will increase by $180 million, which is about 5.4 per cent, to $3.5 billion in ’05-06.

Highlights of the renewed funding framework include an increase of 2.5 per cent to base instruction grants for public and separate school boards, which is in response to Alberta Commission on Learning recommendation 90; an increase of 4 per cent to the rates for severe disabilities, in response to Commission on Learning recommendation 42; and an additional 4 per cent increase that is being set aside to accommodate rising numbers of severely disabled students, in other words, volume, and this is in response to Alberta Commission on Learning recommendation 42; an increase of 3 per cent for transportation rates, which is in response to Alberta Commission on Learning recommendation 90; an increase of 2 per cent for all other grants under the framework, which also responds to Alberta Commission on Learning recommendation 90; and an 11.4 per cent increase for assistance to ECS children and for grades 1 to 12 students with severe special needs, which increases funding in this area to $323 million, and that is in response to Alberta Commission on Learning recommendation 42; furthermore, a grant rate increase of 2 per cent for First Nations, Métis, and Inuit learners in the K to 12 system, which is an increase of $2.5 million from $32 million last year, and that would bring the total support in this area to $33.5 million; an increase of 32.7 per cent for ESL, English as a Second Language, which takes funding in this area up to $40.5 million for domestic-born and for foreign-born students living in Alberta and responds to Alberta Commission on Learning recommendation

Mr. Chairman, there is also a brand new allocation of $1.2 million in support of our daily physical activity initiative, that starts this fall. In fact, this amount will come to about $1,000 per school to help get them started, and it commences our response to Alberta Commission on Learning recommendation 7.

My final point, Mr. Chairman, is one I really want to highlight because it’s an increase of approximately $2 million to compensate for increased costs incurred by francophone authorities to provide English equivalent programming to their students, which is referenced in Alberta Commission on Learning recommendation 90.

Et maintenant en français. Le cadre de financement comprend une augmentation d’environ 2 millions de dollars afin d’aider les autorités scolaires francophones à assumer l’augmentation des coûts occasionnés par la mise en place d’une programmation équivalente à la programmation anglaise pour leurs élèves et ce afin de se conformer aux exigences de l’article 23 de la Charte canadienne des droits et libertés.

[Translation] And now in French. The funding framework also includes an increase of approximately $2 million to compensate for increased costs incurred by francophone authorities to provide English equivalent programming to their students in accordance with the Canadian Charter of Rights and Freedoms. [As submitted]

As a result, Mr. Chair, I will ensure that our five regional francophone authorities will receive a funding increase to address these specific costs. Merci bien.

Les cinq autorités régionales francophones recevront un financement accru pour assumer les coûts reliés à l’offre de services éducatifs en français déjà dispensés par ces autorités.

[Translation] The five regional authorities will receive a funding increase to address the costs of offering the educational services provided in French already provided by the boards. [As submitted]

I should also emphasize that the renewed funding framework was developed by, with, and for our education partners, which includes the Alberta School Boards Association. In fact, our renewed funding framework is a living, breathing model subject to improvements. It’s not a static grant formula for all time, and during my meetings with school boards it was referenced on many occasions.

In fact, there were a few school boards who felt somewhat shortchanged by the renewed funding framework, and I said that I would address that with my officials, and I’m happy that we were able to do that. The fact remains, however, that not one single school board experienced reduced funding under this framework. As a matter of fact, within the guideline there is a component, Mr. Chair, called stabilization, and its purpose is to ensure that no school jurisdiction gets less funding under the new funding framework than it would have received under the old funding framework. That’s one reason why I was happy that we increased this amount by a further 2 per cent for 2005-2006.

Now I would like to speak about some other provincial initiatives that are within the renewed funding framework but have targeted, or labelled, funding dollars attached to them; in other words, initiatives that require certain monies in specified amounts to be spent on them under program 2. I’ll start with the additional $6 million in new one-time funding that will be provided to augment the $110 million in this budget for our class size reduction initiative. This additional $6 million will assist with the second year of the class size reduction initiative to address factors such as improving transportation services, purchasing classroom furniture, or adjusting school attendance boundaries. In fact, these funds will be distributed to school jurisdictions on a per-student basis for grades 1 through 12. That, too, is in response to the Alberta Commission on Learning recommendation 14.

Secondly, there is a $319 million budget item for the Alberta teachers’ pensions, of which $174 million is for current service, as you will see on page 116, and $144.6 million is for the unfunded liability as identified under statutory programs on page 119. Now, this represents an increase of 16 per cent, or $44 million, so it is obviously very significant, and I know that teachers will appreciate having it supported today. I should add that this is due to the additional costs associated with hiring 1,250 brand new teachers in September of 2004 as well as annual salary increases for teachers and an increase of 1.53 per cent in the contribution rate to the pension plan by both its members in general and the government, which is in response to the Alberta Commission on Learning recommendation 90. In the case of the teachers’ pensions, it is the Teachers’ Pension Plans Act which mandates funding responsibility by government for teachers’ pensions, so it’s a statutory-type provision.

Thirdly, we have a 5.4 per cent increase, which amounts to $4.8 million, for accredited private school support to offset rising enrolment costs and increased severe special-needs funding for grades 1 to 12. This funding includes a 2.5 per cent increase in the base instruction grant and a 4 per cent increase in the severe special-needs grant. All other grant increases are going up by 2 per cent as well, and this is in response to the Alberta Commission on Learning recommendations 42 and 90.

Fourthly, we have a funding increase of 9.5 per cent, or $3 million, for accredited private ECS operators for a total of $35.35 million, and this is again to address rising enrolments of special-needs youngsters. It includes a 2.5 per cent grant rate increase, a 4 per cent severe special-needs increase, and a 3 per cent transportation increase. All other grants increase by 2 per cent, as recommended in the Alberta Commission on Learning recommendations 42 and 90.

Fifthly, I have allocated $6 million in new one-time funding for professional development for teachers. A professional development plan is currently being worked on to determine the best course of action, including working with regional professional development consortia. This is in response to the Alberta Commission on Learning recommendation 9.

Sixthly, we have the 2 per cent increase for our Alberta initiative for school improvements, which is going up by $1.3 million to $69.76 million.

Seventh is a 2 per cent increase for student health services, which maybe I’ll comment on a little later because that’s going up by $698,000 to $37.66 million.

Eighth is a funding increase of 47 per cent for high-speed networking, or SuperNet. Funding here will increase by $1.9 million to $6 million total as more school sites come on stream.

Quickly, ninth is our very popular class size reduction initiative, which will receive $110 million through this budget in order to sustain our promise to reduce class sizes and to honour our commitment to the class size guidelines as recommended in recommendation 14 of the Alberta Commission on Learning. With these additional and/or new monies school boards will be able to hire 435 new teachers this September. They will also be able to retain the 1,250 new teachers that were hired last September.

There are a number of other items that I’d like to get to. Perhaps I will during the question-and-answer period because there are a number of other program initiatives in technology that I want to comment on, in video conferencing, which I hope some members might be interested in, and in our Learning Resources Centre, and so on.

Let me just conclude now by simply saying, Mr. Chairman, that this is an extremely vibrant education system that we have here. I’m so pleased that we have $4.3 billion to work with to help ensure that our students are provided with consistent, good programming, with outstanding if not excellent teachers, with the best, highest quality curriculum available, with parent involvement where it’s necessary, with government support wherever we can provide it so that they can consistently perform and/or outperform their counterparts in international testing and in other benchmarks that we see before us.

Thank you for your anticipated support, hon. members. This is a very significant budget for our K to 12 education system. With that, I’ll look forward to any questions that might arise or comments that you might wish to make. I would just ask that if members are referencing something specific in the estimates, could they please give me the specific page number at the top of the question so that I can flip to it and be on the same page as they are. That will help speed things along and will allow more questions to be answered.

Thank you, Mr. Chairman. I believe my time has just about run out, so we’ll look forward to questions. Thank you.