|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Alberta | 28e | 1e | Remarques préliminaires à l’étude des crédits du ministère de l’Éducation | 19 mars 2013 | M. Jeff Johnson | Ministre de l’Éducation | PC |

Thanks, Mr. Chair. It's a pleasure to present today Education's 2013 budget and estimates to you. Again, joining me at the table here is Dean Lindquist, acting deputy minister of Alberta Education. We have Michael Walter, assistant deputy minister of strategic services; and Brad Smith, the executive director of strategic financial services. Behind me we also have a few others from Alberta Education. I'd like to introduce Ellen Hambrook, our ADM of education program standards and assessment. Take a bow, Ellen. George Lee is our director of budget and fiscal analysis. Laura Cameron is our executive director of capital planning. Everybody wants to talk to Laura nowadays. Leanne Niblock is our director of communications and, from my office, Chief of Staff Tom Bradley, who I think has just stepped out; and Kim Capstick, press secretary.

Mr. Chairman, we certainly had to make some difficult decisions this year with respect to the Education budget, but behind every decision that we made was how we could best support students and bring Inspiring Education to life in our schools.

Overall Education's total budget, including capital, increases slightly to $7 billion, a $216 million, or 3.2 per cent, increase. Now, that includes capital.

Over $6.13 billion in operating support will go directly to school boards to support kids. This is a $45 million increase over last year. However, we are facing significant enrolment growth, which is putting pressure on our budget and putting pressure on school boards. Difficult choices had to be made.

While we were not able to provide any increases to base instructional funding, we are maintaining the base instructional funding at 2012 levels. Small class size and inclusion funding will increase this year. This is smart spending that will benefit students in the classroom.

Our government is also planning for the future by building new schools and upgrading others in Alberta's growing communities.

This budget also supports a growing Alberta, fully funding the significant enrolment increases impacting many school districts this year.

As we go through the budget, you'll see that we're trying to put students first. This is what Albertans told us they wanted us to do through Inspiring Education and the lens they want us to make decisions through. It's the framework for the future of our education system.

Let me walk you through a few of the highlights. Budget 2013 provides a 2 per cent grant rate increase for inclusive education - this is the bucket that brings support for special needs and the inclusion strategy of the province - bringing total support to over $385 million. This funding will help ensure school boards have the flexibility to support the unique needs of every school classroom and student.

We've heard from Albertans that keeping class sizes down is important for student success. Now, in response, we will increase funding for smaller class sizes by $14.5 million, or 6.2 per cent - this includes an overall increase of 2 per cent for the program as well as for covering off and fully funding the significant enrolment growth that we're going to have in the system - bringing the total funding for this envelope to $248 million this year.

We will continue to target this funding to the younger grades, the primary grades, kindergarten to grade 3, where studies show that small class sizes make the most difference.

Equity of opportunity grant. We've also included a 1.9 per cent increase to the equity of opportunity grant this year, bringing total funding to $ll0 million. This grant continues the Premier's 2012 commitment of $107 million to classroom supports for students.

Student health initiatives. Fifty million dollars is included in Budget 2013 for the student health initiative program, SHIP, which will transition to a new delivery model, regional collaborative service delivery. The new model is intended to deliver services on a regional basis. This will support schools and community partners to better meet the needs of children with complex needs. This is along the lines of all the wraparound services we talk about so often.

Accredited funded private schools and private early childhood operators, ECS, or early childhood services, will receive a funding increase of $10.8 million, from $195.5 million to $206.3 million. This is entirely driven by increases in enrolment, particularly in the early childhood program. So we're just funding new kids coming into the system. We're not increasing the instructional grants for those providers from this year.

Teachers' pension plan. To the benefit of our students Alberta's teachers are some of the best compensated in the country. This includes a generous pension plan. Contributions made by the government of Alberta on behalf of teachers for current services will increase by $26 million, to $353 million this year. In addition, government will contribute $456 million for the cost of the pre- 1992 teachers' pension liability. That funding is, I believe, in the Finance portfolio. This brings funding in support of teachers' pensions to over $800 million in Budget 2013.

Although our overall budget is increasing, we do have to make reductions. My department must be part of the solution, and we must lead. The administration budget within the department will be reduced by $18.5 million, or 15 per cent, through internal restructuring. Staff will be reduced by 51 full-time positions and 35 secondments. The department will continue to restructure and look for efficiencies through the results-based budgeting projects that are under way and that will continue over the next couple of years.

School boards will also need to make adjustments. To minimize the impact on the classroom, funding for board and system administration expenses will be reduced by 10 per cent of the current allowable amount.

There are several other areas where we've had to make difficult choices in order to fund enrolment and make sure that every new student coming into the system is funded. On transportation we are eliminating the one-time fuel price contingency program as of April 1. As a result, funding for transportation this year will be $272 million, which is a decrease of$17 million.

We also made some adjustments to our small schools by necessity grant. This grant addresses the higher costs associated with operating schools with low enrolments where it is not feasible to transport students within a jurisdiction, originally intended for remote schools. Effective for the 2013-2014 school year boards in the metro areas, Edmonton and Calgary, will no longer be eligible for this small schools by necessity funding as they have more flexibility to accommodate students in neighbouring buildings and schools.

Plant operations and maintenance funding has also changed to align with the policy shift to inclusive education. Since the introduction of the inclusive education funding model government has moved away from linking funding to special coding of students. As a result, coding has been removed from the funding formula for plant operations and maintenance, which we commonly refer to as POM. Total support to public and separate school boards for POM is $4 70 million. Funding to private schools for POM will be eliminated effective September 1, 2013. However, private schools and private early childhood operators will receive an increase of $11 million, again tied to the enrolment growth.

Infrastructure maintenance and renewal, or IMR, funding will also decrease, from $96 million to $77 million next year and then back up to $100 million for each of the second and third years of this three-year budget cycle. School boards will be asked to target that funding to address their most pressing needs and to consider using capital reserves.

We're also making changes to a few other grants, including reducing the length of time an English-language learner is supported with additional funding from seven years to five and eliminating the learning resource credit allowance to school boards.

In addition to these funding reductions, we've had to make some hard choices and postpone and eliminate certain initiatives. This year's budget is focused on maintaining core educational services and getting all of the resources possible into the classroom. This meant that we had to focus our investment on students and on the classroom. Therefore, effective April 1 we are eliminating funding to the Alberta initiative for school improvement, AISI. Government will examine AISI learnings and align and implement these findings in best practices with the vision of Inspiring Ed.

We've also had to re-evaluate and adjust our timelines on full day K. In the spirit of Inspiring Ed we will continue to work with parents, communities, and school authorities to determine the best approach for moving forward in support of Alberta's youngest students. Government remains committed to making full-day K an option for Alberta parents.

With respect to capital we have a booming student population in our province, and we need to keep building schools to keep up. I'm pleased to tell you that Budget 2013 includes $564 million for capital projects. This investment will support the start and planning of 50 new schools and 70 modernizations in addition to existing projects.

Education's overall three-year capital investment will total $1.4 billion. The estimated cost of the 50/70 commitment is over $2 billion, which will be addressed in this three-year budget cycle and in subsequent budgets. Details of the new projects and how they will be funded will be provided later this spring. [Mr. Johnson's speaking time expired] Is that my time, Mr. Chair?

I think that's about it for my comments. I'm happy to take questions. There's lots to talk about, so we can get on with the first round of questions, Mr. Chair.