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Education and Its Rapid Growth in Alberta

AN ADDRESS BY

Hon. R. H. McKinnon

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Hon. E. C. Manning:

Good Evening, Ladies and Gentlemen:

Last week, your Minister of Public Works, the Hon. Mr. Colborne, joined me in reporting to you on what your Government is doing to provide proper facilities for your young people who are attending University, or one of our many Technical Institutes, Vocational Training Schools, or centres for Adult Education. This evening, I have with me your Minister of Education, the Hon. Mr. McKinnon, who will report to you on what your Government is providing towards meeting the operating costs of your schools and colleges and Universities. Education this year will take almost a quarter of your entire Provincial Budget, or a total of over \$207½ million. This is an increase of more than \$39½ million over last year and is by far the largest increase in the entire Budget.

Perhaps the first thing we should deal with is the two-mill increase in the basic Province-wide Education tax, which is being badly misrepresented in some quarters. Your Provincial Treasurer explained, when he dealt with this matter in the House, that the two-mill change in the basic Education tax is an adjustment rather than an increase, because while it increases by two-mills the basic tax paid into the Foundation Fund, it will reduce by an equal amount the Educational tax required to meet local supplementary requisitions. This is the important fact that is being ignored by those who are criticizing the increase. I think it would be helpful if Mr. McKinnon commented on this matter for us.

Hon. R. McKinnon:

Thank you, Mr. Manning. Before we go into that, I thought we might deal briefly with some of the aspects of the Grade 1-12 part of the system which has led to this great increase in taxation. This is the largest part of our educational system, in terms of numbers of students, as well as in total expenditures. The total enrolment has con-

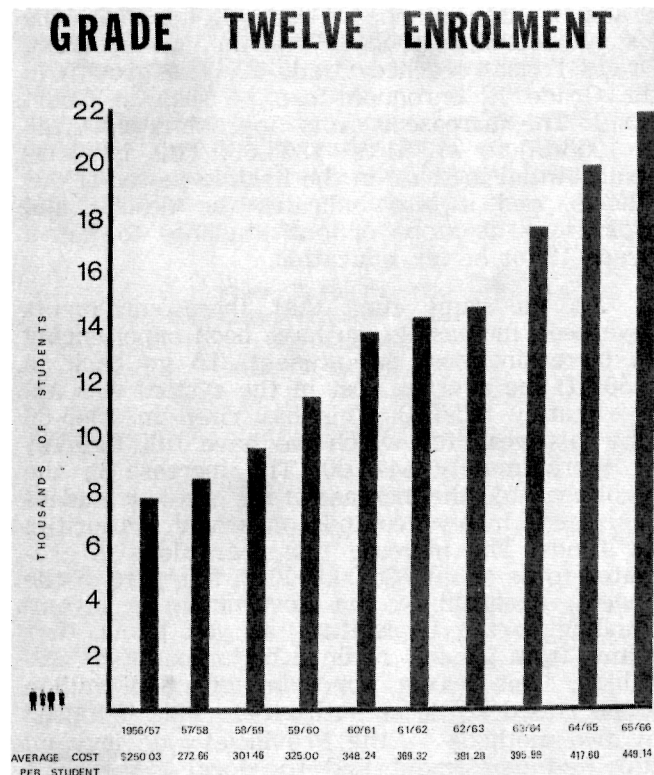


Chart No. 1

tinued to increase quite substantially over the last ten years. The last count taken in September 1966, indicated that we had 372,892 students in this part of our system. This means that about 25% of our population is in our classrooms during school hours. It is particularly interesting to note that a much higher percentage of pupils are now reaching Grade 12 than before. In the 1956-57 school year, 47.23% of the corresponding Grade 1 class reached Grade 12; and in the 1965-66 school year, 88.83% of the corresponding Grade 1 class reached Grade 12. The growth in the Grade 12 enrolment can be seen in Chart No. 1. The increase is from approximately 7,723 in 1956-57 to 21,781 in 1965-66. This indicates a substantial increase in the holding power of our schools, and it also indicates the desires and aspirations of more of our students to get a Grade 12, or better, education.

At the same time that these enrolments have been increasing, we have been experiencing an increasing cost per student. To go back to 1956-57, the average cost in the system was approximately \$250.00. This has risen in 1965-66 (the last year for which we have full figures) to approximately \$449.00. The increase in the enrolment and the increase in the cost per student has placed heavy demands on school authorities for funds. The increase this year alone is estimated to be about \$30,000,000 in this part of the system. Accordingly, the Government is recommending to the Legislature, as you know, that grants from general revenue be increased by \$20 million. This leaves approximately \$10 million to be raised by local authorities. This is raised by two methods — the Provincial-wide levy on equalized assessment and the local requisitions or supplementary requisitions, as they have been

called. If the Province-wide levy remained at 26 mills, we estimate that the supplementary requisition would be about \$23.3 million for the Province as a whole. This would be about \$7 million more than last year, as chart No. 2 shows. In order to keep the supplementary requisition at approximately the same amount as last year, and also to maintain the equalization principle, it was decided to raise the 26-mill levy to 28 mills. This should have the effect of reducing supplementary requisitions from \$23.3 million estimated to approximately \$18 million — a figure only slightly higher than last year's figure of \$16.4 million. The effect then of raising the 26 mills to 28 mills is that there is a transfer from supplementary requisitions to the Province-wide requisitions. The total amount raised remains the same — \$220 million, in either case. This will mean that in 1967

**Revenues & Expenditures Of
School Divisions, Districts & Counties
1966 and 1967
Millions Of Dollars**

Revenue	1966	1967 26 MILLS	1967 28 MILLS
Local Cont. to SFPF.	68.0	69.3	74.6
Prov. Cont. to SFPF.	97.0	117.2	117.2
Other Prov. Grants	3.4	3.7	3.7
Supp. Requisition	16.4	23.3	18.0
Other Revenue	5.7	6.5	6.5
Total Revenue	190.5	220.0	220.0
Total Expenditures	190.6	220.0	220.0

Chart No. 2

there will be approximately \$191,800,000 in the School Foundation Fund for distribution compared with \$165,000,000 in 1966. This will provide, of course, increased amounts for distribution to school boards according to regulations. The Department is now working on these regulations, and they should be ready by the time the Legislature has considered the estimates and the Legislation which affects this. I want to point out again that the amount available for distribution through the Foundation Program Fund is estimated to be \$191.8 million this year, an increase of \$26.8 million. Of this \$26.8 million the Province will provide \$20.2 million of this increase and the local contributions will provide \$6.6 million.

Hon. E. C. Manning:

We might also mention, Mr. McKinnon, before we leave this point, that not only is this 2-mill adjustment merely a transfer from local supplementary requisitions to the Education Foundation Fund as a whole, and cannot therefore truthfully be called an increase in taxation; but the impression is being given in some quarters that this 2-mill adjustment is going to fall only on the taxpayers in the urban centres. It is important that people understand that the 28-mill rate for the total Foundation Program is levied in exactly the same way on equalized assessment all over the Province, whether it be in a rural community or in the urban centres. All of the tax-payers are being treated in exactly the same way, and with the greatest possible degree of equity.

Would you like to say a word now about the operating funds for our Universities this year, Mr. McKinnon?

Hon. R. McKinnon:

Yes, Mr. Manning. Universities in Alberta are growing rapidly as well. The increase in enrolment and in cost per student has made it necessary to allocate substantially large sums each year to University operating expenses. The extent of this increase can be seen if we think about the figures of the last five years and look at the amount voted by the Legislature just for operating expenses alone at our University. In 1963-64, this was \$10,950,000. In 1965-66, it had gone up to \$18,485,000, in 1966-67 it was \$24,500,000, and we are estimating this year at \$42,600,000. This is just for the operating expenses of the University alone. The student cost, of course, during that period of time has increased as well. In 1963-64, it cost approximately \$1,740 per student per year. In 1965-66, this went up to \$2,090 per student; in 1966-67 it was about \$2,400 per student, and in 1967-68, it will be about \$2,700 per student.

The Universities, of course, have three main sources of revenue. They have the revenue from the Provincial Government Grant. The Federal Government has been contributing to the University operating costs; and of course, there are the tuition fees paid by the students. The percentage of the total revenue obtained from each source has varied from year to year (and gives a comparison of various years) but by and large, over the last five years, we have had about 61% in 1963 from Provincial, about 15% Federal, and 22% from student fees. In 1965-66, there was 66% from the Provincial Government, 9.9% from the Federal Government and 22% from student fees. This year, with somewhat altered arrangements in the Federal-Provincial sharing, it is difficult to say what the Federal part will be, but the Provincial part is estimated to be about

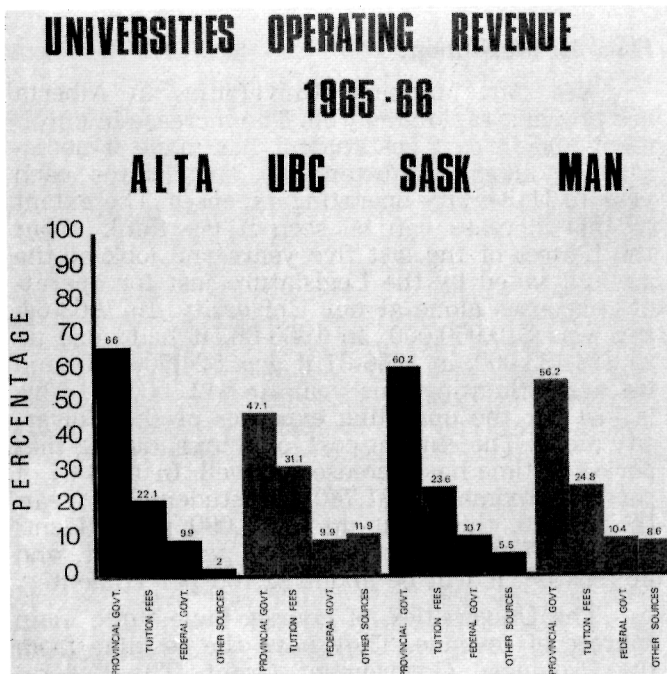


Chart No. 3

82.5%, which presumably, may be shared by the Federal Government later. This leaves about 16.5% of the total cost to be picked up by tuition fees.

I am sure some of you will wonder how this compares with other Provinces. Chart No. 3 indicates how Alberta fares in comparison with other Provinces in Western Canada. The one on the left is the Alberta University, the next one is the University of British Columbia, the next one is Saskatchewan, and the next is Manitoba. The far left part of the chart indicates Provincial Govern-

ment support. General revenues provided 66% of the operating revenue in Alberta, 47% in British Columbia, 60% in Saskatchewan, and 56% in Manitoba. The tuition fees are shown in the second column on the chart, which indicates that students by their tuition fees provide about 22% of the revenue in Alberta for this particular year, 31% in British Columbia, 23.6% in Saskatchewan, and 24.8% in Manitoba. The next part of the chart indicates the amount which the Federal Government has made up of the operating revenue of this particular year, 1965-66. So you see, Mr. Manning, we compare very favorably with these Western Provinces. Our Government is providing the largest percentage, and if we had the total amount in dollars, I am sure it would even be higher still.



Picture No. 1

Hon. E. C. Manning:

I see our time has almost gone, Mr. McKinnon. Before we close, perhaps you would like to make a few comments on the Technical Institutes that we have for our young people in this Province.

Hon. R. McKinnon:

The Institutes of Technology at Calgary and Edmonton are playing a very important part in providing educational opportunities for Albertans. The Northern Alberta Institute of Technology shown in picture No. 1 represents a capital investment of about \$22½ million, and has about 19 acres of floor space. The operating expenses of these institutions have continued to increase as enrolments have increased, and it can be seen from the chart that they have increased from about \$2¼ million in 1962 to about \$6¼ million in 1965-66. The enrolment figures are very, very large, as you can see on chart No. 4 — an increase

from 5,704 in 1962-63 to 8,798 in 1965-66. Another very important increase is in the evening course from 2,313 to 7,118 — the total enrolment nearly doubled in those five years. So we have a wonderful picture to present regarding our Institutes of Technology.

Hon. E. C. Manning:

I think you will agree, from these facts and figures, that you can be proud in this Province of the provision that you are making for young people in Technical schools, the general public and high school system, and at University level. Certainly your Province is doing more in this regard than any other Province in Canada.

Enrolment	1962-63	63-64	64-65	65-66
Day	5,704	7,064	7,384	8,798
Evening	2,313	3,526	5,057	7,118
Corresp.	1,435	1,403	1,450	1,572
Total	9,452	11,993	13,891	17,488

Number Of Courses

Day	57	70	95	108
Evening	54	84	168	366
Corresp.	2	2	2	2
Total	113	156	265	476

Chart No. 4