

7. Results Analysis

Albertans highly value the benefits of education and this is reflected in the Government of Alberta's investment in learning. Education remains a provincial priority, with the Ministry of Learning working to turn each challenge into a success story and build on an already excellent learning system.

With over \$4.8 billion invested in 2002/03, Government spending on the learning system again totalled almost a quarter of the provincial budget. From our financial statements you will see we have planned wisely to distribute funding across the system to meet learners' needs at all points along the path of lifelong learning.

Recognizing that funds are finite, the Ministry has managed those dollars to make the most of our investment. Through funding allocations to school authorities and post-secondary institutions, effective programs and initiatives, the investment in education delivered a high rate of return as Alberta's students reached high standards of achievement. Our students excelled in provincial and national assessments, and we saw improvement in high school completion rates.

As more and more Albertans embrace learning at all stages of life, this is translating into personal and provincial success. We have a well-educated, well-trained workforce that supports a healthy lifestyle and an equally healthy economy.

From pre-school through to apprenticeship and post-secondary programs, the Ministry is contributing to the advancement of our learning system. In this report you will find an impressive summary of accomplishments, including innovative initiatives and work that reveals Alberta's leadership in the field of education. The strength of our system and achievement of our students not only is gratifying, it also is garnering national and international attention.

Sometimes it takes an outside eye to bring into focus the scope of what has been accomplished. Just this past year, Alberta Learning hosted delegations from Germany, Russia, Japan and South Korea that expressed interest in our organizational models, curriculum, special education programs, provincial testing programs, accountability mechanisms and how we integrate technology in our schools.

Certainly one of our assets is a spirit of collaboration. As such, it is important to note this report lists only a sample of the good work done to enhance learning in Alberta and does not begin to represent the efforts of our larger learning community. However, the results of Alberta's students and the Ministry's performance measures do reflect the contributions of our partners and stakeholders.

Overall, the Ministry and Alberta's learning system are maintaining high satisfaction levels and registering strong results. The access and quality of education, student achievement and post-secondary graduate employment levels, and Alberta Learning's working relationships are just a few of the important areas covered. While this year's results are quite positive, the Ministry will always strive to improve the learning experience and Alberta's learning system.

[original signed by]

Maria David-Evans
Deputy Minister
Alberta Learning

Auditor General's Report



REPORT OF THE AUDITOR GENERAL ON THE RESULTS OF APPLYING SPECIFIED AUDITING PROCEDURES TO PERFORMANCE INFORMATION

To the Members of the Legislative Assembly

In connection with the Ministry of Learning performance information included in the *2002-2003 Annual Report of the Ministry of Learning* as presented on pages 17 to 39, and pages 203 to 213 I have:

1. Agreed information from an external organization to reports from the organization, or where information is reported as not available, confirmed that the information is not available.
2. Agreed information from reports that originated from organizations included in the consolidated financial statements of the Ministry to source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance information included in the *2002-2003 Annual Report of the Ministry of Learning*.

[original signed by]
Fred J. Dunn FCA
Auditor General

Edmonton, Alberta
September 15, 2003



Ministry Performance

Goal 1 – High Quality Learning Opportunities

OUTCOMES

Responsiveness and flexibility:

- The learning system meets the needs of all learners, society and the economy.

Accessibility:

- All Albertans can participate in quality learning.

Affordability:

- Financial need is not a barrier to learners participating in learning opportunities.
- The learning system is affordable.

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

There are five Ministry core measures to assess and report on the goal of High Quality Learning Opportunities for Albertans. **Targets were met on all three core measures with targets.** Performance declined on one measure and remained unchanged on one. Below are the performance highlights for 2002/03 for this goal.

PERFORMANCE HIGHLIGHTS

Quality of Education and Training

- ✓ **Basic Education** – A majority of the public (67%) remains satisfied with the overall quality of basic education, an increase over the previous year. The target was met, as the result was within 5% of the target of 70%.
- ✓ **Post-Secondary Education** – A large majority (81%) of post-secondary graduates continues to be satisfied with the overall quality of their education, meeting the target of 80% - 85%.
- ✓ **Apprenticeship and Industry Training** – Very large percentages of recent apprenticeship graduates continue to be satisfied with their on-the-job training (93%) and with their technical training (95%), meeting the target of 90%+.

Accessibility

- = **Access to Lifelong Learning** – A majority of the public (73%) continues to agree that adult learners have access to the education and training they want, an increase over the previous year. There was no target for 2002/03 for this measure.

OPPORTUNITIES FOR IMPROVEMENT

- ↓ **Affordability of the Learning System** – While a majority of the public (52%) agrees that the learning system is within the means of most Albertans, results continue to decline. Alberta Learning continues to enhance awareness of planning for post-secondary studies, including availability of financial assistance and the return on investment of education.

GOAL 1 CORE MEASURES

Quality of Basic Education

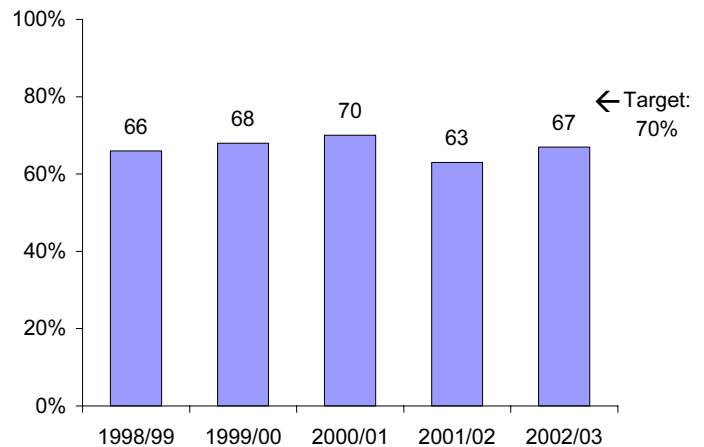
TARGET:

- The target was met, as the result was within 5% of the target.

DISCUSSION:

- Approximately two thirds of the public continues to be satisfied with the overall quality of basic education.
- The result in 2002/03 is consistent with the long-term trend, showing a recovery to previous levels of satisfaction.

Percentages of the Public Satisfied with Overall Quality of Basic Education



Source: Alberta Learning: The Advisory Group – 1999; Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Note:

- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

Quality of Apprenticeship Training

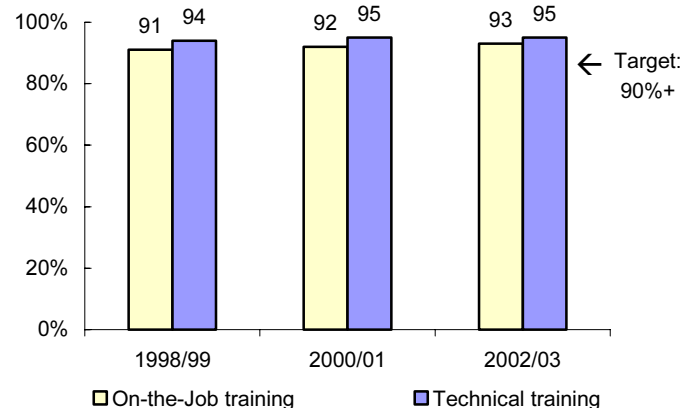
TARGET:

- The targets were met.

DISCUSSION:

- Very high percentages of recent apprenticeship graduates continue to be satisfied with the quality of their on-the-job training and their technical training.
- Results of the survey in 2002/03 indicated an increase to 93% in satisfaction with on-the-job training, while satisfaction with technical training remained the same at 95%.

Percentages of Apprenticeship Graduates Satisfied with their On-the-Job Training and Technical Training



Source: Alberta Learning: Nichols Applied Management – 1999 and 2003, R.A. Malatest & Associates – 2001.

Notes:

- Survey is conducted every other year. Graduates of apprenticeship programs in 1997/98, 1999/2000 and 2001/02 (based on the August 1 – July 31 year) were surveyed six to 18 months after graduation.
- In 2000/01 and 2002/03 only graduates who took technical training as part of their apprenticeship program are included in the results for satisfaction with technical training. The number of respondents to the technical training question was 2,821 in 2002/03 and 2567 in 2000/01 with a confidence interval of plus or minus 0.4% for both years. The confidence interval has been restated to reflect an adjustment for a finite population factor, which is more appropriate for the size of this population. It was not possible to separate these respondents from the total in the 1998/99 survey.
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

GOAL 1 CORE MEASURES

Quality of Post-Secondary Education

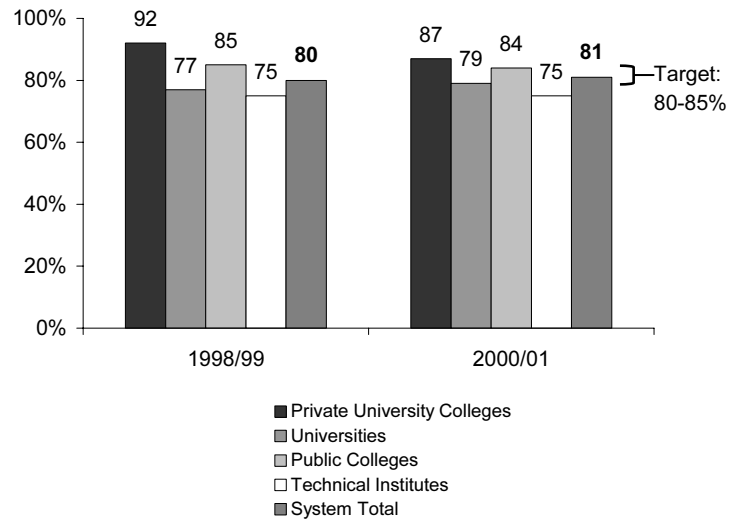
TARGET:

- The target was met.

DISCUSSION:

- A large majority of graduating post-secondary students (81%) continues to be satisfied with the overall quality of their post-secondary education.
- The satisfaction rate for the system overall has remained fairly stable since 1998/99.
- The satisfaction rate has shown the most change in the Universities and Private University College sectors. The satisfaction of university students increased from 77% to 79%, while the satisfaction rate of private university college students declined from 92% to 87%.
- Only 4% of the graduating students expressed some dissatisfaction with the overall quality of their education, and 15% were neutral.

Percentages of Post-Secondary Students Satisfied with the Overall Quality of Their Education



Source: Alberta Learning.

Notes:

- Graduating students of degree, diploma, certificate and academic upgrading programs are surveyed every other year.
- See Endnote C, Post-secondary Graduates' Satisfaction, page 209.

GOAL 1 CORE MEASURES

Access to Lifelong Learning

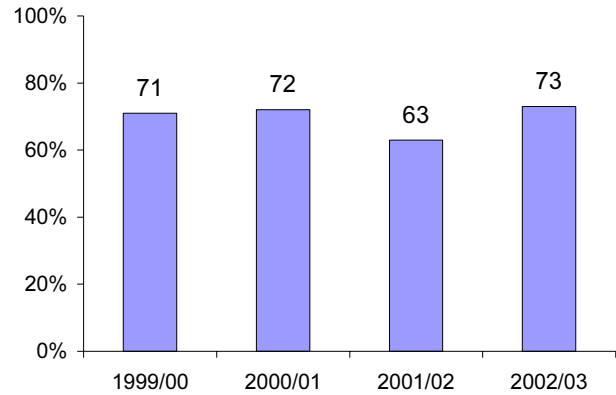
TARGET:

- No target was set for 2002/03 (measure under development in the 2002-2005 business plan).

DISCUSSION:

- A substantial majority of the public is satisfied that “most adults have access to the education and training they want”.
- Satisfaction in 2002/03 has returned to levels of earlier years.
- Other information on the public/adult learner survey provides additional perspectives on Albertans’ access to learning opportunities.
- The proportion of adults reporting participation in education or training has increased in recent years, from 32% in 1998/99 to 35% in 2002/03.
- For those not taking education or training in 2002/03, the most frequently cited reasons were “no need/not required by job” (cited by 25% of respondents) and “lack of time” (cited by 18% of respondents). In recent years, these have ranked consistently as the top two reasons given, and together have accounted for more than 40% of all responses each year (see table on page 21).

Public Satisfaction that Most Albertans have Access to Education and Training



Source: Alberta Learning: Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Notes:

- This measure reports the weighted average result of questions asked of two components of the public: adult learners (those who reported taking education or training in the last 12 months) and adult Albertans who did not take education or training in the last 12 months. The wording of the question asked of adult learners was clarified in the 2002/03 survey. In previous years, adult learners were asked about their satisfaction that “most adults are able to access the education or training they want”. In 2002/03, they were asked about their satisfaction that “you are able to access the education or training you want”.
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

GOAL 1 CORE MEASURES

Affordability of the Learning System

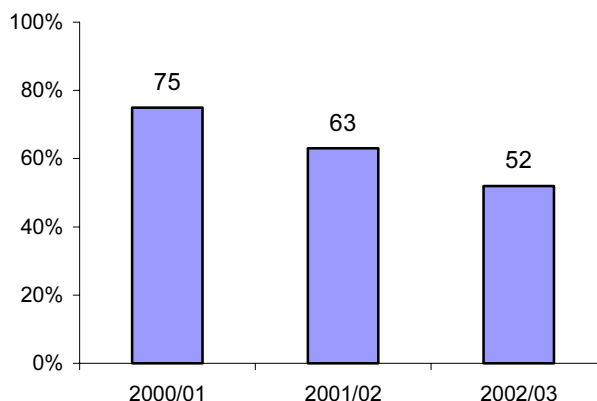
TARGET:

- No target was set for 2002/03.

DISCUSSION:

- A majority of the public continues to agree that the learning system is within the means of most Albertans, although agreement levels have declined since 2000/01.
- Government increased grant funding to the learning system by \$235 million (5.4%) in 2002/03 over the previous year. Nevertheless, the decline in the level of agreement on the affordability measure may have been influenced by continuing attention to school board and post-secondary funding issues.
- Notwithstanding these results, the actual participation of adults in education or training (including training at work) has increased in recent years (see the discussion on the previous page).
- Of adults not taking any type of education or training in 2002/03 (65% of respondents), only 8% cited cost as the reason. In recent years, between 6% and 11% provided cost as the reason for not participating in learning, with “costs too much” ranking 4th to 6th among reasons given. (The table lists the main reasons for not taking education or training.)

Percentages of the Public who Agree that the Learning System is Within the Means of Most Albertans



Sources: Alberta Learning: Criterion Research Corp. – 2001; R.A. Malatest & Associates –2002, 2003.

Notes:

- In the survey, the learning system is defined in the introduction to a series of questions. The two questions preceding this one start “Thinking about Alberta’s learning system as a whole – that is, including elementary, junior and senior high schools, apprenticeship, and post-secondary institutions...” In the question for this measure, respondents are simply asked “Again – thinking about the learning system as a whole – would you strongly agree, agree, disagree or strongly disagree that Alberta’s learning system is within the means of most Albertans.”
- The sample size for this question was 1067 in 2000/01, with a confidence interval of plus or minus 3%.
- See Endnote A, pages 203-206, for other information on surveys conducted for Alberta Learning.

Primary reasons for not taking education or training (percentages and rank)

	1998/99	1999/00	2000/01	2001/02	2002/03
Lack of time	33.0% (1)	26.5% (1)	29.4% (1)	18.1% (2)	18.1% (2)
Not necessary	25.3% (2)	25.8% (2)	24.9% (2)	24.5% (1)	24.7% (1)
Age/retired	10.6% (3)	10.5% (3)	10.1% (3)	9.4% (5)	16.3% (4)
Not interested	8.0% (4)	7.8% (4)	--	--	--
Costs too much	5.9% (5)	7.1% (6)	8.4% (4)	11.3 (4)	8.0% (5)
Working/Self employed	--	--	--	--	17.5% (3)
Family obligations	--	7.5% (5)	6.9% (5)	12.3% (3)	--

Sources: Alberta Learning: Banister Research & Consulting Inc. – 1999; Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Goal 2 – Excellence in Learner Achievement

OUTCOMES

- Learners demonstrate high standards.
- Learners complete programs.

There are six Ministry core measures, four of which have targets, for the goal of Excellence in Learner Achievement. **Targets were met for high school and apprenticeship completion, educational attainment of Albertans and for achievement tests overall at both the acceptable and excellence levels for writers and at the excellence level for all students.** The following are the 2002/03 performance highlights for this goal.

- ✓ Met target
- Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):
- = No change
- ↑ Improved performance
- ↓ Performance decline

PERFORMANCE HIGHLIGHTS

Student Results

- ✓ **Grade 3, 6, 9 Achievement Tests** – In 2002/03, overall targets were met for students who wrote at both the acceptable and excellence levels. For all students in grade, the overall target for excellence was met.

- ↑ **Grade 3, 6, 9 Achievement Tests** – Overall results for students writing provincial achievement tests and for all students in grade have improved since 1998/99 at both the acceptable and excellence levels.

- ↑ **Grade 12 Diploma Examinations** – In the 2002/03 school year, students met or exceeded provincial expectations at the acceptable standard and at the standard of excellence in more diploma exams than in previous years.

Educational Attainment

- ✓ **High School Completion in the Basic Learning System** – The high school completion rate within five years of entering grade 10 rose to 74%, meeting the target of 72%.
- ✓ **Apprenticeship Completion** – The apprenticeship completion rates rose to 76%, meeting the target of 73%.

- ✓ **High School Completion of Albertans 25-34** – The high school completion rate of Albertans aged 25-34 remains high at 89%. The target of 90% was met as the result was within 5% of the target of 90%.
- ✓ **Post-Secondary Completion of Albertans 25-34** – Post-secondary completion of Alberta 25-34 year-olds has increased over time to 58%, meeting the target of 58%.

OPPORTUNITIES FOR IMPROVEMENT

- ✓ **High School Completion** – While the high school completion rate in the basic learning system has increased in recent years to 74%, and the percentage of Albertans aged 25-34 who have completed high school remains high, more students should complete high school in the Basic Learning system as reflected in a higher target of 75% set for 2004/05.
- ↓ **Completion Rates of Alberta Post-Secondary Students** – The completion rate of students in Alberta public post-secondary institutions declined in 2001/02 to 55% for university students and to 58% for college/technical institute students. No target has been set for this interim measure because information is not available to track students who transfer to a different post-secondary institution.

GOAL 2 CORE MEASURES

Achievement Test Results Overall

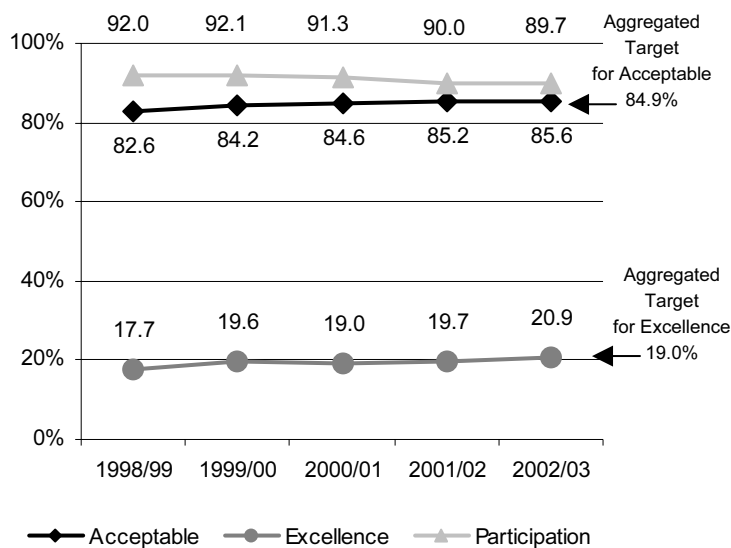
TARGETS:

- The aggregated targets for overall results were met for students who wrote provincial achievement tests in the 2002/03 school year (top graph).
- For the total enrolment in grades 3, 6 and 9 in the 2002/03 school year, the aggregated target for overall results at the standard of excellence was met, while the aggregated target at the acceptable standard was not met (second graph on page).

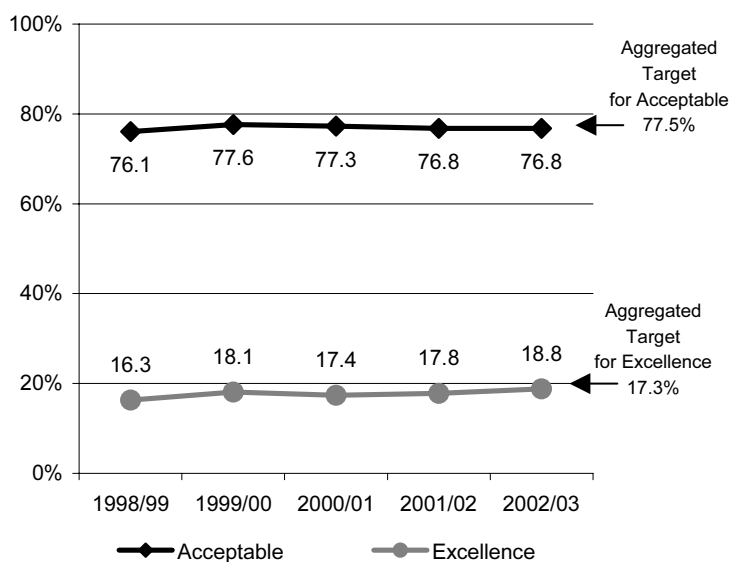
DISCUSSION:

- Overall results both for writers and total enrolment at both the acceptable standard and the standard of excellence have improved over time. As well, results have improved overall since the 2001/02 school year except for all students at the acceptable level, which remained the same.
- Of the students who wrote provincial achievement tests, the percentages of students who achieved standards overall increased to 85.6% at the acceptable standard and to 20.9% at the standard of excellence (top graph).
- The participation rate in achievement tests declined slightly to 89.7% in 2002/03 (top graph).
- The increases in percentages of writers achieving standards tend to be related to decreases in participation rates (except for 1999/2000).
- For overall results calculated on the basis of total enrolment in grade (second graph), the percentages meeting the acceptable standard have remained stable over time, while the percentages meeting the standard of excellence have increased over time.

Provincial Combined (All Grades and Subjects) Participation Rates and Percentages of Students Who Wrote and Met Standards on Provincial Achievement Tests



Provincial Combined (All Grades and Subjects) Percentages of Students Who Demonstrated Standards on Provincial Achievement Tests (total enrolment in grade)



Source: Alberta Learning

Notes:

- The percentages of students achieving the acceptable standard include the students achieving the standard of excellence.
- Aggregated targets are the averages of the targets for each subject and grade for the acceptable standard and the standard of excellence for both methods of calculating results.
- The aggregated data does not include Science 9 Form B. Since 2002/03 was the first year to administer the test, no target was set for this year.
- See Endnote C, Provincial Achievement Tests, page 209.

GOAL 2 CORE MEASURES

Achievement Test Results for Test Writers

TARGETS:

- In the 2002/03 school year, students who wrote provincial achievement tests met or exceeded the targets for the acceptable standard in all tests except for grade 9 Language Arts and Mathematics.
- Students who wrote met or exceeded the targets for the standard of excellence in all tests except for Language Arts 3 and Science 6.

DISCUSSION:

- Student performance has improved on all ten tests since 1998/99, and improved in most tests since last year.
- Student performance at the standard of excellence improved in eight of the ten tests, while declining on two tests.
- There were improvements in performance of students in two of the three language arts tests at both the acceptable standard and the standard of excellence.
- There have been steady improvements at the acceptable level in Social Studies 6, and Science 9 (Form A) over the reporting period.

Percentages of Students in Grades 3, 6 and 9 Who Wrote and Achieved the Standards on Provincial Achievement Tests

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003	Targets 2002/ 2003
Grade 3						
Language Arts						
excellence	15.8	19.3	17.4	16.4	17.2	18%
acceptable	88.7	90.7	89.4	89.6	90.1	90%
Mathematics						
excellence	25.2	27.5	25.4	29.2	32.4	26%
acceptable	84.8	87.9	87.6	88.7	89.3	89%
Grade 6						
Language Arts						
excellence	17.4	20.9	16.2	16.5	19.0	17%
acceptable	84.4	86.3	85.4	88.6	89.2	85%
Mathematics						
excellence	17.2	17.6	19.3	19.7	19.3	18%
acceptable	83.2	84.2	85.4	85.2	85.6	85%
Science						
excellence	24.1	26.5	27.2	24.6	26.5	27%
acceptable	84.4	84.9	88.0	86.7	87.9	88%
Social Studies						
excellence	17.3	21.2	20.2	21.3	22.3	20%
acceptable	81.9	84.1	84.7	85.9	86.4	85%
Grade 9						
Language Arts						
excellence	12.1	15.1	14.9	16.7	15.4	15%
acceptable	87.6	89.5	89.2	89.8	89.2	90%
Mathematics						
excellence	15.5	16.1	18.4	19.1	20.1	17%
acceptable	72.4	74.4	75.2	73.7	72.6	77%
Science (Form A)						
excellence	14.8	13.9	13.3	12.8	15.1	14%
acceptable	78.5	79.4	79.9	80.7	82.8	79%
Science (Form B)						
excellence	--	--	--	--	12.6	--
acceptable	--	--	--	--	75.7	--
Social Studies						
excellence	17.7	17.8	17.9	20.3	21.3	18%
acceptable	80.5	80.9	81.5	83.2	82.8	81%

Source: Alberta Learning.

Notes:

- The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- The 2002/03 school year was the first year for administration of Science 9 Form B, which reflects the learning expectations as stated in the 2002 Program of Studies.

Participation Rates for Provincial Achievement Tests

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003
Grade 3					
Language Arts	94.1	93.0	92.6	90.6	91.5
Mathematics	94.6	93.4	93.4	91.6	92.1
Grade 6					
Language Arts	93.1	93.0	92.1	91.2	91.0
Mathematics	93.1	93.7	92.9	91.8	91.4
Science	93.3	93.1	93.1	91.6	91.0
Social Studies	93.1	93.6	92.8	91.2	91.4
Grade 9					
Language Arts	89.7	89.6	88.3	87.5	87.4
Mathematics	88.9	89.9	88.4	87.5	87.4
Science (Form A)	90.2	90.7	89.7	88.7	85.9
Science (Form B)	--	--	--	--	90.5
Social Studies	90.3	90.7	89.3	88.7	87.7

Source: Alberta Learning.

Note:

- See Endnote C, Provincial Achievement Tests, page 209.

GOAL 2 CORE MEASURES

Achievement Test Results for All Students in Grade

TARGETS:

- In the 2002/03 school year, results for all students in grade met or exceeded targets for the standard of excellence in all tests except for Language Arts 3 and Science 6.
- Results for all students in grade met or exceeded targets for the acceptable standard in five of ten tests.

DISCUSSION:

- Student performance at the acceptable level improved in six of the ten tests since 1998/99, while declining in three tests. Since last year, results have improved on five of the ten tests.
- Student performance at the standard of excellence has improved in all but one of the ten tests, while remaining stable in grade 9 science.
- Since last year, student performance at the excellence level improved on eight of the ten tests and declined on two tests.
- The percentages of students who achieve the acceptable standard in the grade 9 language arts and mathematics achievement tests are reported annually by the provincial government as indicators of literacy and numeracy, as adult literacy surveys are not conducted regularly. Students who achieved the acceptable standard have developed the foundation skills needed to become literate and numerate adults.

Percentages of Students in Grades 3, 6 and 9 Demonstrating the Standards on Provincial Achievement Tests

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003	Targets 2002/ 2003
Grade 3						
Language Arts						
excellence	14.9	17.9	16.1	14.9	15.7	17%
acceptable	83.5	84.3	82.8	81.2	82.4	83%
Mathematics						
excellence	23.8	25.7	23.8	26.7	29.8	24%
acceptable	80.2	82.1	81.8	81.2	82.3	82%
Grade 6						
Language Arts						
excellence	16.2	19.4	14.9	15.1	17.3	16%
acceptable	78.6	80.3	78.7	80.8	81.2	79%
Mathematics						
excellence	16.0	16.5	17.9	18.1	17.7	17%
acceptable	77.5	78.9	79.3	78.3	78.3	78%
Science						
excellence	22.5	24.7	25.3	22.6	24.1	25%
acceptable	78.8	79.0	82.0	79.5	80.0	80%
Social Studies						
excellence	16.1	19.9	18.7	19.4	20.3	18%
acceptable	76.2	78.7	78.6	78.3	79.0	78%
Grade 9						
Language Arts						
excellence	10.8	13.6	13.1	14.6	13.5	13%
acceptable	78.5	80.1	78.8	78.5	78.0	80%
Mathematics						
excellence	13.8	14.4	16.3	16.7	17.6	15%
acceptable	64.4	66.9	66.5	64.5	63.5	70%
Science (Form A)						
excellence	13.3	12.6	11.9	11.4	13.0	12%
acceptable	70.8	72.0	71.7	71.6	71.1	72%
Science (Form B)						
excellence	--	--	--	--	11.4	--
acceptable	--	--	--	--	68.5	--
Social Studies						
excellence	16.0	16.2	16.0	18.0	18.7	16%
acceptable	72.7	73.4	72.8	73.8	72.6	73%

Source: Alberta Learning.

Notes:

- The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- The 2002/03 school year was the first year for administration of Science 9 Form B, which reflects the learning expectations as stated in the 2002 Program of Studies.
- See Endnote C, Provincial Achievement Tests, page 209.

GOAL 2 CORE MEASURES

Diploma Examination Results

TARGET:

- No targets were set for 2002/03 as the diploma examinations are not comparable from year to year.

DISCUSSION:

- In the 2002/03 school year, provincial expectations were achieved for more diploma examinations than in prior years.
- Students met or exceeded provincial expectations at the acceptable level in eight exams and also met or exceeded expectations at the excellence level in eight exams.
- The acceptable standard was met or exceeded in all exams except Social Studies 33, Biology 30 and Physics 30. The standard of excellence was met or exceeded in all exams except English 33, Social Studies 33 and Applied Math 30.
- Completing either English 30 or 33 and either Social Studies 30 or 33 is required for high school graduation. In the 2002/03 school year, the percentage of students in their third year completing one of the Social Studies courses increased over the previous year from 84% to 86%, while the percentage completing one of the English courses remained stable at 84%.
- Larger percentages of students completed English 30, Social Studies 30, Pure Mathematics 30, Biology 30, Chemistry 30, and Physics 30 in the 2002/03 school year than in 2001/02, while a lower percentage completed English 33 and participation in Social Studies 33 remained the same.
- Equating of diploma exams, which enables comparison over time, will be implemented starting in 2003/04 with Social Studies 30 and 33.

Percentages of Students Writing Diploma Examinations who Achieved Standards

Course	Standard	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003
English 30	excellence	13	16	19	19	24
	acceptable	86	89	89	88	92
English 33	excellence	9	8	8	7	7
	acceptable	86	88	87	87	85
French Language Arts 30	excellence	--	--	--	--	15
	acceptable	--	--	--	--	95
Social Studies 30	excellence	18	16	19	21	22
	acceptable	85	84	85	86	87
Social Studies 33	excellence	11	13	13	12	13
	acceptable	83	81	81	81	82
Pure Mathematics 30	excellence	--	--	20	28	27
	acceptable	--	--	77	82	85
Applied Mathematics 30	excellence	--	--	--	--	14
	acceptable	--	--	--	--	85
Biology 30	excellence	26	23	27	26	22
	acceptable	83	81	81	84	81
Chemistry 30	excellence	19	24	22	24	25
	acceptable	82	84	79	82	85
Physics 30	excellence	32	28	24	33	25
	acceptable	87	83	79	84	82
Science 30	excellence	17	11	14	12	20
	acceptable	88	78	83	82	88

Source: Alberta Learning.

Notes:

- 85% of students are expected to achieve the acceptable standard and 15% are expected to achieve the standard of excellence.
- The percentages of students achieving the acceptable standard include the percentages of students achieving the standard of excellence.
- Starting in 2002/03, Part A (Written Response) and Part B (Multiple Choice) are administered in a separate sitting for Social Studies 30 and 33 exams.

Percentages of Students Completing Diploma Examination Courses in Their Third Year of High School (participation)

Subject	1998/ 1999	1999/ 2000	2000/ 2001	2001/ 2002	2002/ 2003
English 30	53	55	55	57	58
English 33	28	29	28	27	26
French Language Arts 30	-	-	-	-	3
Social Studies 30	47	49	49	51	53
Social Studies 33	33	35	34	33	33
Pure Math 30	-	-	33	42	44
Applied Math 30	-	-	-	-	22
Biology 30	32	38	39	41	43
Chemistry 30	33	36	35	36	38
Physics 30	21	22	22	23	24
Science 30	5	6	7	7	7

Source: Alberta Learning.

Notes:

- Students can choose among courses to complete high school and meet post-secon requirements; only part of the grade 12 class writes each diploma exam.
- Prior years results have been restated, reflecting the outcome of the correction and appeal processes.
- Results for 2002/03 will go through the correction and appeal processes starting in 2003/04 and will be restated in future years.
- See Endnote C, Diploma Examinations, page 210.

GOAL 2 CORE MEASURES

High School Completion

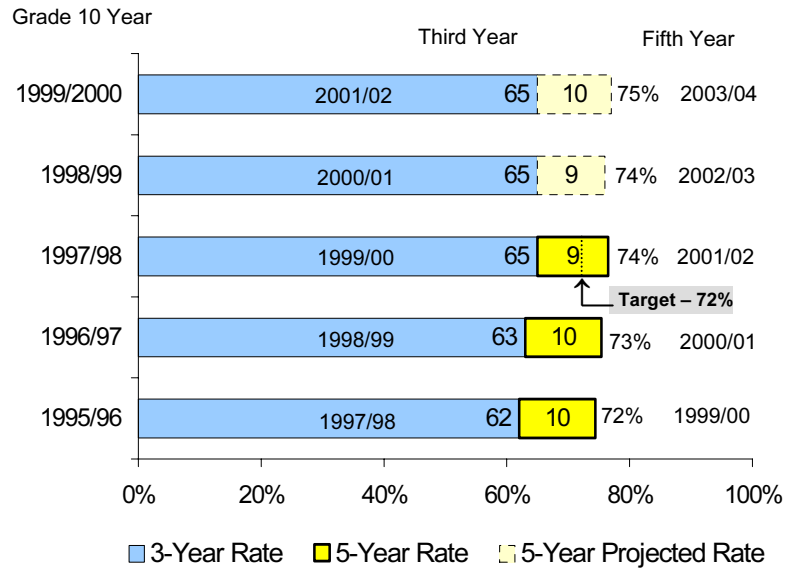
TARGET:

- The target was met.

DISCUSSION:

- The high school completion rate within five years of entering grade 10 has increased 1% each year since 1999/00, reaching 74% in the 2001/02 school year (the most recent year completion rates are available).
- The three-year high school completion rate has remained stable at 65% for the last three years (1999/2000 to 2001/02).
- Of the students who complete in five years, most (over 85%) do so in three years. This makes the three-year rate a reliable predictor of the five-year rate in future years. Projections indicate the five-year rate will rise to 75% by 2003/04.
- Substantial portions of students who do not complete high school in the basic learning system attain high school completion status as adults (see Educational Attainment measure, page 30).

Percentages of Students Completing High School Within 3 and 5 Years of Entering Grade 10



Source: Alberta Learning.

Notes:

- Projections indicate results likely to be achieved given the three-year completion rates for these groups of grade 10 students and completion rates in prior years. The projection for 2003/04 also considers the projected 5-year rate for 2002/03.
- See Endnote C, High School Completion Rate, page 211.

GOAL 2 CORE MEASURES

Apprenticeship Completion

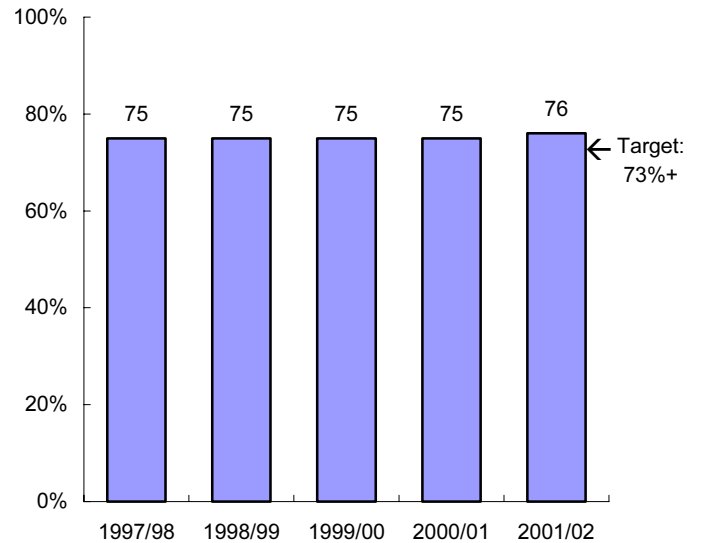
TARGET:

- The target was met.

DISCUSSION:

- In 2001/02, a substantial majority of apprentices (76%) received their journeyman certificates for completion of an apprenticeship program within two years of expected completion (i.e., apprentices were tracked for two years past the normal program length to determine the completion rate).
- Completion rates have increased slightly to 76% in 2001/02 after remaining stable at 75% for several years.

Apprenticeship Completion Rate (new)



Source: Alberta Learning.

Notes:

- Includes apprentices who have completed all the requirements of their first period of apprenticeship training. Excludes programs of less than two years in length.
- Based on July 1 to June 30 for all years of data provided.
- See Endnote C, Apprenticeship Completion Rate, page 211.
- See Endnote B, pages 207-208, for information on assessment of results over time.

GOAL 2 CORE MEASURES

Post-Secondary Completion

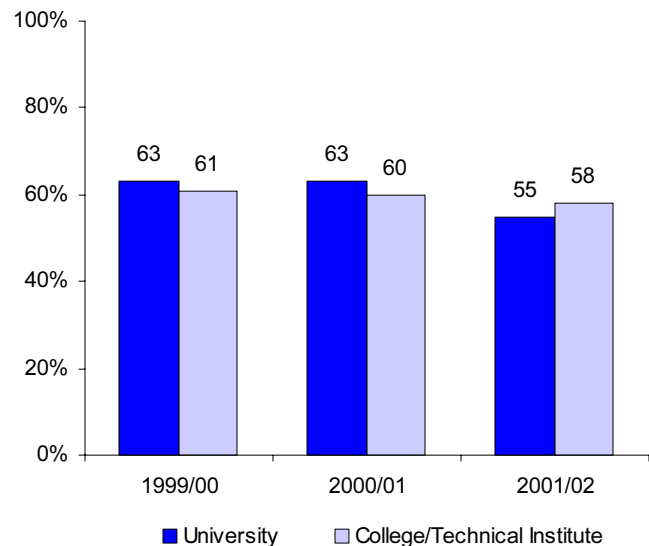
TARGET:

- No target set (measure under development in the 2002-2005 Business Plan)

DISCUSSION:

- The post-secondary completion rate is an interim measure and aggregates the institutional completion rates for universities and for colleges and technical institutes. To determine completion, post-secondary students were tracked for three years beyond the length of the program.
- Results indicate a decline in 2001/02 in the percentages of university students who graduated from the institution where they started. There has been a slight decline each year in the percentages of college and technical institute students who completed programs in their starting institution.
- The declines in completion rates in recent years may be due to Alberta's improved economic conditions through the mid - 1990's as students may have transferred to another institution to gain marketable skills more quickly or may have entered the labour force before completing their credential.
- System-wide completion rates may not be adequately represented because information is not available to account for the completion of students who start at one post-secondary institution then complete at another one.
- A system-wide indicator of post-secondary completion is under development that will include completion of students who transfer among Alberta post-secondary institutions once the Alberta Student Number is fully implemented for post-secondary students.

Interim Post-Secondary Completion Rate (new)



Source: Alberta Learning

Notes:

- Alberta College of Art & Design's programs are included in the University Sector as these programs are four-year undergraduate degree programs.
- The university sector completion rate is based on undergraduate programs tracked for seven years; therefore, the 1999/00 rate for universities is based on the 1993/94 entry cohort, the 2000/01 rate is based on the 1994/95 entry cohort and 2001/02 data is based on the 1995/96 entry cohort.
- The completion rates for the college and technical institute sectors is based on tracking first-time students for the program length plus three years, i. e., tracking for four years for a certificate program and five years for a diploma program.
- See Endnote C, Interim Post-Secondary Completion Rate, page 212.
- See Endnote B, pages 207-208, for information on assessment of results over time.

GOAL 2 CORE MEASURES

Educational Attainment

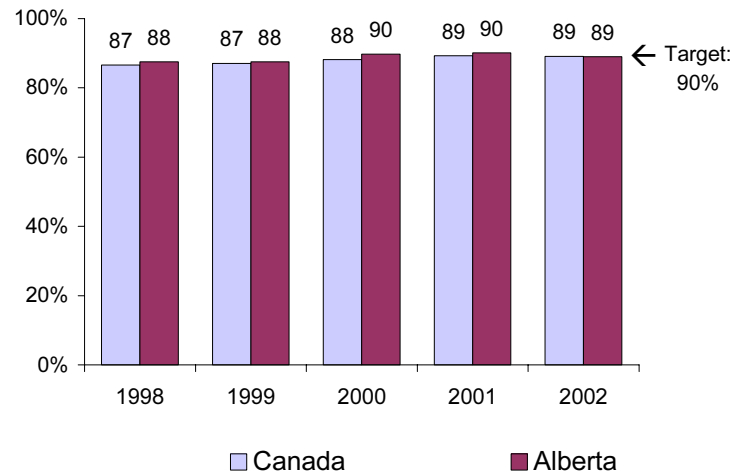
TARGET:

- The targets were met (the result for high school completion is within 5% of the target).

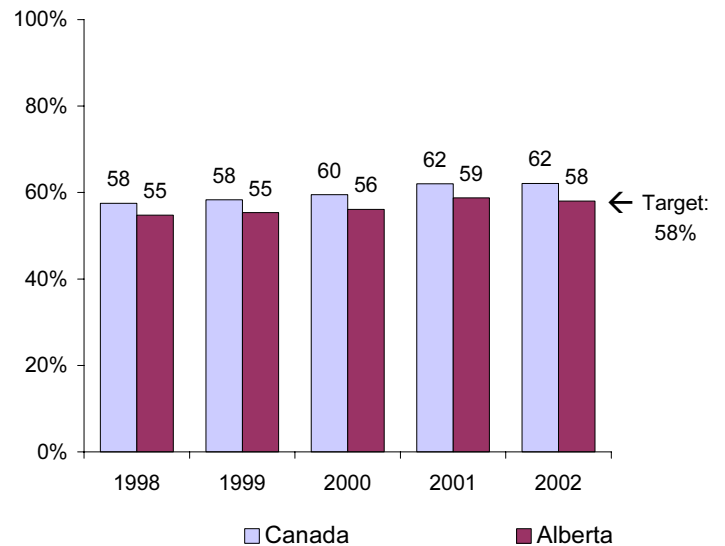
DISCUSSION:

- The percentage of Albertans aged 25-34 with at least high school completion remains stable on a year-to-year basis.
- Alberta's results for high school completion continue to be high and similar to the national average.
- The post-secondary completion rate of Albertans aged 25-34 is not significantly different from the prior year, and has increased since 1999. It remains below the Canadian average.

Percentages of Albertans aged 25-34 who Completed High School



Percentages of Albertans aged 25-34 who Completed Post-Secondary Programs



Source: Statistics Canada Labour Force Survey, Special tabulation for Alberta Learning.

Notes:

- Since respondents were asked about their highest level of education, those who indicated they have participated in or completed post-secondary studies are considered to have completed high school.
- See Endnote A, pages 203-206 on the use of confidence intervals for survey measures to interpret results.
- See Endnote C, Educational Attainment, page 212.

Goal 3 – Well Prepared Learners for Lifelong Learning, the World of Work and Citizenship

OUTCOMES

Learners are well prepared for lifelong learning:

- Children start school ready to learn.
- Albertans are able to learn continuously: in school, at work and in society.

Learners are well prepared for employment:

- Learners are successful in finding/maintaining work.
- Employers are satisfied with knowledge, skills and attitudes of employees.

Learners are well prepared for citizenship

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

There are four Ministry core measures, three of which have targets, to assess progress on the goal of Well Prepared Learners for Lifelong Learning, the World of Work and Citizenship. **Targets were met on the three measures with targets, and results improved on the proxy measure for readiness to learn.** The following are the 2002/03 performance highlights for this goal.

PERFORMANCE HIGHLIGHTS

- ↑ **Preparation of Children for School** – The percentage of grade 1 students who participated in Early Childhood Services increased slightly to 96% in 2002/03. There is no target for this proxy measure of readiness to learn.
- ✓ **Employment of Post-Secondary Graduates** – The employment rate of post-secondary graduates has remained very high, over 93%, and met the target of 90%+.
- ✓ **Preparation for Citizenship** – Public satisfaction that high school students are well prepared for citizenship (59%) has increased substantially since 1999/2000, exceeding the target of 48%.
- ✓ **Preparation for Citizenship** – Public satisfaction that adult learners are well prepared for citizenship (69%) has increased since 1999/2000. The target of 67% was met.

OPPORTUNITIES FOR IMPROVEMENT

- = **Preparation for Lifelong Learning** – A substantial majority of the public (72%) remains satisfied that adult learners are prepared for lifelong learning. The target of 77% was not met. More effort is needed to communicate with Albertans about the opportunities and benefits of lifelong learning.
- ✓ **Preparation for Citizenship** – Although public satisfaction that learners are prepared for citizenship has increased, higher satisfaction levels are desirable. Higher targets for both high school students and adult learners have been set for 2003/04.

GOAL 3 CORE MEASURES

Preparation of Children for School

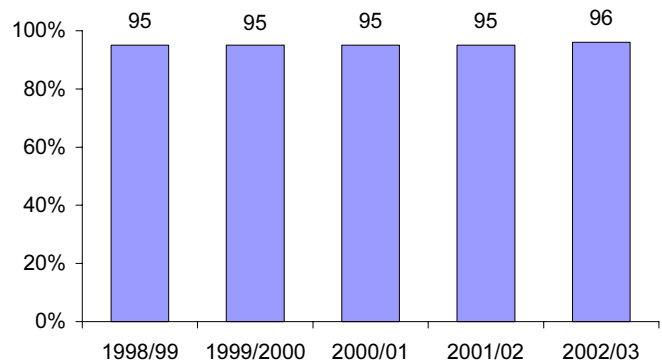
TARGET:

- No target was set for this proxy measure of readiness to learn.

DISCUSSION:

- The percentage of students who participated in Early Childhood Services (ECS) programs prior to grade 1 increased slightly to 96% in 2002/03.
- A very large majority of parents choose to enroll their children in ECS programs even though ECS attendance is not mandatory.
- ECS programming is designed to prepare children for entry into grade 1 and to provide a foundation for continued success in school.

Percentages of Grade 1 Students who Attended Early Childhood Services Programs



Source: Alberta Learning.

Notes:

- Includes children enrolled in Early Childhood Services or ungraded programs prior to grade 1.
- See Endnote C, Participation in Early Childhood Services Programs, page 213.
- See Endnote B, pages 207-208, for information on assessment of results over time.

Preparation for Lifelong Learning

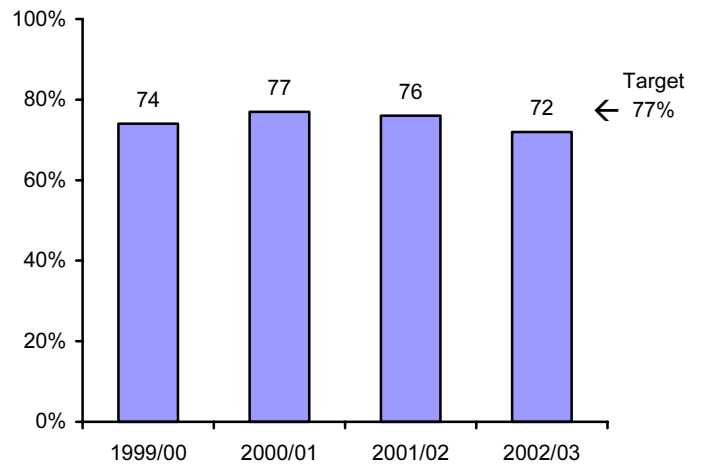
TARGET:

- The target was not met.

DISCUSSION:

- A substantial majority (72%) of the public continues to be satisfied that adult learners are prepared for lifelong learning.
- While the satisfaction level in 2002/03 is slightly lower than the previous two years, it is not significantly different from the result in 1999/2000.

Public Satisfaction that Adult Learners are Prepared for Lifelong Learning



Sources: Alberta Learning: Criterion Research Corp. – 2000, 2001,
R.A. Malatest & Associates – 2002, 2003.

Notes:

- The question for this measure was modified slightly in 2002/03 to include a definition of lifelong learning. In prior years, respondents were asked about their satisfaction that “adults taking education or training are being taught an appropriate combination of skills to prepare them for lifelong learning.” In 2002/03, “lifelong learning” was replaced with “learning throughout their lifetime.”
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.
- See Endnote B, pages 207-208, for information on assessment of results over time.

GOAL 3 CORE MEASURES

Employment of Post-Secondary Graduates

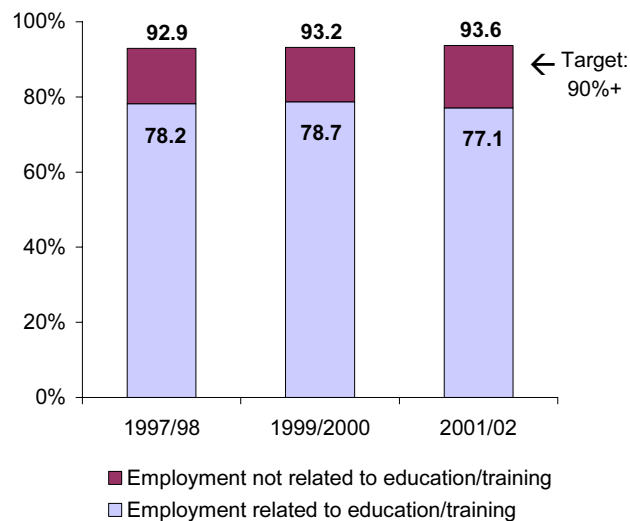
TARGET:

- The target was met.

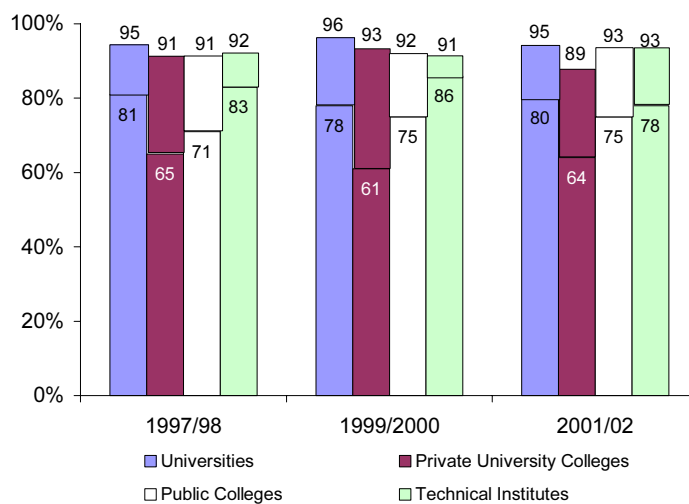
DISCUSSION:

- The overall employment rate of post-secondary graduates, i.e., the percentage of graduates in the labour force who are employed, has remained high.
- This result reflects continued strong performance across the public post-secondary sectors.
- More than three out of four graduates in the labour force (77.1%) continue to report working in jobs related to their education.
- The proportion of graduates employed in related work has been consistent from year to year in all sectors except for a decline in technical institutes to 78% in 2001/02, which also accounts for the slight overall decline in related employment.
- An additional 13% of graduates in 2001/02 reported not participating in the labour force compared to 11% in 1999/2000. These graduates (not included in the graphs) may be pursuing further studies or may not be participating for personal reasons.

Employment Rates of Post-Secondary Graduates Overall and in Jobs Related to their Studies (System Total)



Employment Rates of Post-Secondary Graduates Overall and in Jobs Related to their Studies (by Sector)



Source: Alberta Learning.

Notes:

- The 2001/02 results include 1999/00 university and private university college graduates surveyed two years later and 2000/01 public college and technical institute graduates surveyed within one year.
- The 1999/2000 results include 1997/98 university and private university college graduates surveyed two years later, and 1998/99 public college and technical institute graduates surveyed within one year.
- 1997/98 results include 1994/95 university graduates surveyed two years later, and 1995/96 private university college and 1996/97 public college and technical institute graduates surveyed within one year.
- The lower portion of each column represents the percentages of graduates in the labour force who are employed in jobs related to their education.
- See Endnote C, Employment Rate of Post-Secondary Graduates, page 213.
- See Endnote B, pages 207-208, for information on assessment of results over time.

GOAL 3 CORE MEASURES

Preparation for Citizenship

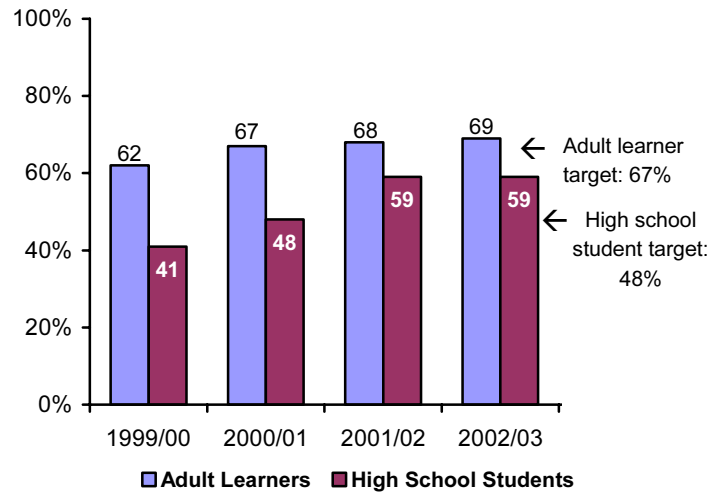
TARGET:

- The target for high school students was exceeded.
- The target for adult learners was met.

DISCUSSION:

- Public satisfaction that high school students are well prepared for citizenship remains the same as last year, following significant increases in 2000/01 and 2001/02.
- Public satisfaction that adult learners are well prepared for citizenship has remained constant for three years, following an increase in 2000/01.

Public Satisfaction that Learners are Well Prepared for Citizenship



Sources: Alberta Learning: Criterion Research Corp.– 2000, 2001; R.A. Malatest & Associates – 2002, 2003.

Notes:

- The questions were clarified in the 2001/02 survey as a result of field testing. The new questions asked the public to indicate how satisfied they are that recent high school graduates are well prepared for citizenship, and how satisfied they are that adults taking education or training are well prepared for citizenship.
- In prior years, the public was asked to indicate if they agreed that high school graduates in Alberta were being taught the rights and responsibilities of citizenship, and if they agreed that adult learners are getting an appropriate combination of skills and knowledge to prepare them for the rights and responsibilities of citizenship.
- See Endnote A, pages 203-206, for other information on surveys conducted for Alberta Learning.

Goal 4 – Effective Working Relationships with Partners

OUTCOMES

- Effective working relationships meet the learning needs of Albertans.
- Joint initiatives contribute to the achievement of the social and economic goals of the province.

There is one Ministry core measure with three targets to assess the goal of Effective Working Relationships with Partners. **Targets were met on all three components of this measure.** The following are the 2002/03 performance highlights for this goal.

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

PERFORMANCE HIGHLIGHTS

Working Relationships with Alberta Learning

- ✓ **Collaboration** – A large percentage (83%) of cross-ministry partners and learning system stakeholders continue to agree that Alberta Learning staff are collaborative. The target of 80% was met.
- ✓ **Responsiveness** – A high percentage (89%) of these partners and stakeholders agrees that Alberta Learning staff are responsive. Results have increased over time, and the target of 85% was met.
- ✓ **Flexibility** – A large majority of partners and stakeholders (81%) agrees that Alberta Learning staff are flexible, meeting the target of 70%. Results have improved over time.

GOAL 4 CORE MEASURES

Working Relationships with Alberta Learning

TARGET:

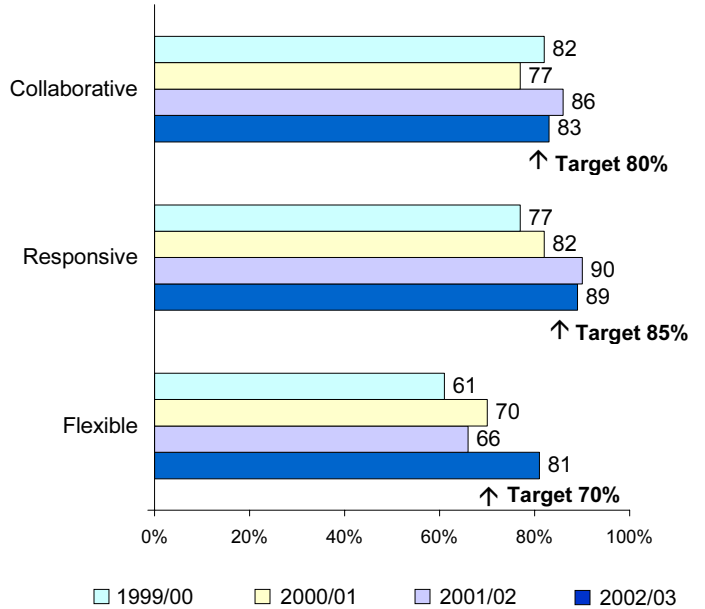
- The targets were met.

DISCUSSION:

- In 2002/03, a large majority of partners and stakeholders agreed that Alberta Learning staff are collaborative (83%), responsive (89%) and flexible (81%).
- Since 1999/2000, results have improved overall for responsiveness and flexibility, and remained about the same for collaboration.
- Results are highest for staff responsiveness for the third year in a row.
- There is greater variability in results from year to year with this measure than other survey measures because of the small sample size.

Note: This measure has been modified in the 2003/06 Business Plan by combining responsiveness and flexibility. This change will be reflected in the Annual Report for 2003/04.

Percentages of Partners and Stakeholders who Agree that Alberta Learning Staff are Flexible, Responsive and Collaborative



Source: Alberta Learning: Hargroup Management Consultants – 2000, 2001, 2002, 2003.

Notes:

- The survey scale was changed in 2002/03 from a 5-point scale including a neutral midpoint, used in prior years, to a 4-point scale with no neutral midpoint (i.e., strongly agree, agree, disagree, strongly disagree). Overall, this had the effect of increasing both the strongly agree/agree and the disagree/strongly disagree responses, compared to results for previous years. In years prior to 2002/03, the question on flexibility had substantially more neutral responses than the questions on responsiveness or collaboration. Consequently, removing the neutral response category had a larger effect on results for flexibility than for responsiveness and collaboration.
- See Endnote A, pages 203-206, for information on surveys conducted for Alberta Learning.

Goal 5 – Highly Responsive and Responsible Ministry

OUTCOME

The Ministry demonstrates:

- Leadership and continuous improvement in administrative and business processes and practices.

There are two core measures used in 2002/03 to assess and report on the goal of a Highly Responsive and Responsible Ministry. There were no targets for 2002/03 for the core measures. The following are the performance highlights for this goal.

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

PERFORMANCE HIGHLIGHTS

↑ **Organizational Effectiveness** – A substantial majority of Alberta Learning staff (78%) continues to agree that the organization provides expected outcomes for their work. There was no target for this new measure.

OPPORTUNITIES FOR IMPROVEMENT

↓ **Staff Development** – A substantial majority of Alberta Learning staff (75%) continues to agree that the organization provides the support needed for staff to acquire or develop knowledge and skills in their current job. Although results were lower in 2002/03 than in earlier years, results partially recovered over 2001/02 and have been higher than results of the Alberta Public Service for four of the past five years. There was no target for this new measure.

GOAL 5 CORE MEASURES

Knowledge and Skill Development Opportunities for Staff

TARGET:

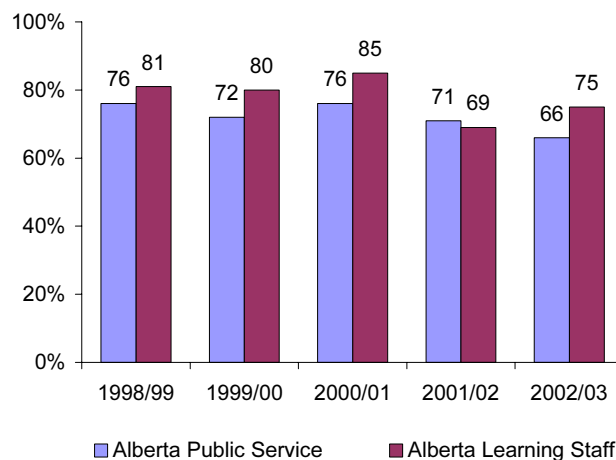
- No target was set for this new measure (under development in the 2002-2005 business plan).

DISCUSSION:

- Three out of four Alberta Learning employees surveyed agreed in 2002/03 that the Ministry provides the support needed for staff to acquire or develop knowledge and skills in their current job.
- Ministry results are significantly higher than results for all Alberta public service employees in each year except 2001/02.
- Ministry results have made a partial recovery in 2002/03 after dropping sharply in 2001/02. The temporary suspension of staff access to training and development funds as a fiscal restraint measure in fall 2001 likely accounted for the lower result last year.

Note: As indicated in Alberta Learning's 2003-2006 Business Plan, a new measure, roll-up of core measure results, is under development. This new measure will replace the measures reported for Goal 5 (this page and the next) in the 2003/04 Annual Report.

Percentages of Staff Who Agree That the Organization Provides the Support Needed for Staff to Acquire or Develop Knowledge and Skills in Their Current Job (new)



Sources: Personnel Administration Office, The Advisory Group – 1999, Research Innovations Inc. – 2000, 2001, 2002, 2003.

Notes:

- The 1998/99 percentages for Alberta Learning reports the weighted average results of the former Ministries of Education and of Advanced Education and Career Development.
- See Endnote A, pages 203-206, for information on the employee surveys.

GOAL 5 CORE MEASURES

Organizational Efficiency and Effectiveness

TARGET:

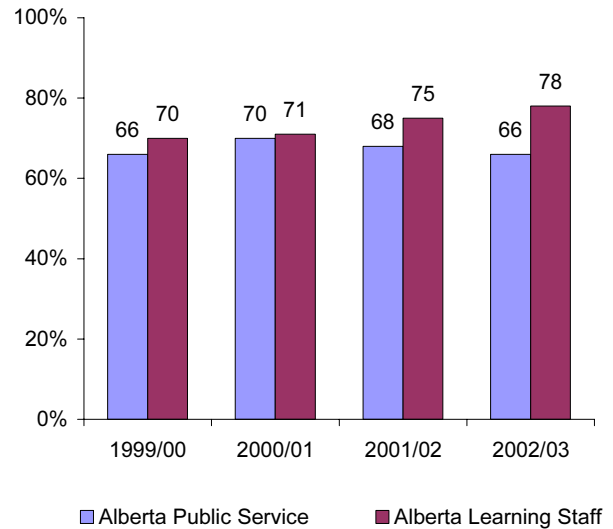
- No target was set for this new measure (under development in the 2002-2005 business plan).

DISCUSSION:

- In 2002/03, more than three-quarters of Alberta Learning employees surveyed agreed that the organization provides expected outcomes for their work.
- Results for Alberta Learning on this measure have increased steadily since 2000/01.
- Ministry results in 2001/02 and 2002/03 are significantly higher than results for all Alberta public service employees.
- Expected outcomes enable staff to be more efficient and effective.

Note: See the previous page for information on changes to this measure in future years.

Percentages of Staff Who Agree That the Organization Provides Expected Outcomes for their Work (new)



Sources: Personnel Administration Office, The Advisory Group – 1999, Research Innovations Inc. – 2000, 2001, 2002, 2003.

Note:

- See Endnote A, pages 203-206, for information on the employee surveys.

Ministry Financial Information

FINANCIAL RESULTS AND PERFORMANCE

Financial results of the Ministry of Learning for the year ended March 31, 2003 include the activities of the Department of Learning and the Alberta School Foundation Fund. More detailed information can be found in the Ministry's financial statements (pages 48-112).

	In millions		
	2003		2002
	Budget	Actual	Actual
REVENUES			
School property taxes	\$ 1,093	\$ 1,113	\$ 1,094
Internal government transfers	104	105	71
Transfers from the Government of Canada	175	115	167
Sales of learning resources	30	26	29
Fees, permits, licenses and other revenue	8	11	10
	<u>1,410</u>	<u>1,370</u>	<u>1,371</u>
EXPENSES BY CORE BUSINESS			
Basic Learning ¹	3,455	3,543	3,336
Adult Learning ²	1,252	1,262	1,176
Apprenticeship and Industry Training	27	29	24
	<u>4,734</u>	<u>4,834</u>	<u>4,536</u>
NET OPERATING RESULTS	<u>\$ (3,324)</u>	<u>\$ (3,464)</u>	<u>\$ (3,165)</u>

1. For comparability, 2002 Actual results have been adjusted to reflect 2003 presentation and the transfer of responsibility for school operation and maintenance costs to the Ministry of Infrastructure.
2. Includes operating grants provided to post-secondary institutions used but not specifically earmarked for apprenticeship and industry training.

OVERVIEW

The Government of Alberta continued to make Learning a priority in 2002/03. Investment in Learning increased \$298 million (6.6%). Approximately 95% of the Ministry's expenses were comprised of grants to provide programs and help Alberta's learners. Ministry support costs were reduced by \$2.4 million to \$27.5 million, 0.57% of the Ministry's expenses.

In Basic Learning, support increased \$207 million, including a one-time teachers' pension contribution of \$60 million. Other increases were in grant rate and enrolment increases and student health.

Expenses for Adult Learning increased \$86 million from the prior year. Included are increased grants to post-secondary institutions of \$47 million and a \$31 million commitment for a research facility at the University of Calgary.

Alberta Learning invested \$89 million in loans to students in post-secondary institutions in 2002/03. Alberta Learning continues to assist students in managing their student loan debt by providing \$66 million in debt reduction initiatives. Alberta Heritage Scholarships and other provincial scholarships and bursaries provided an additional \$53 million to students.

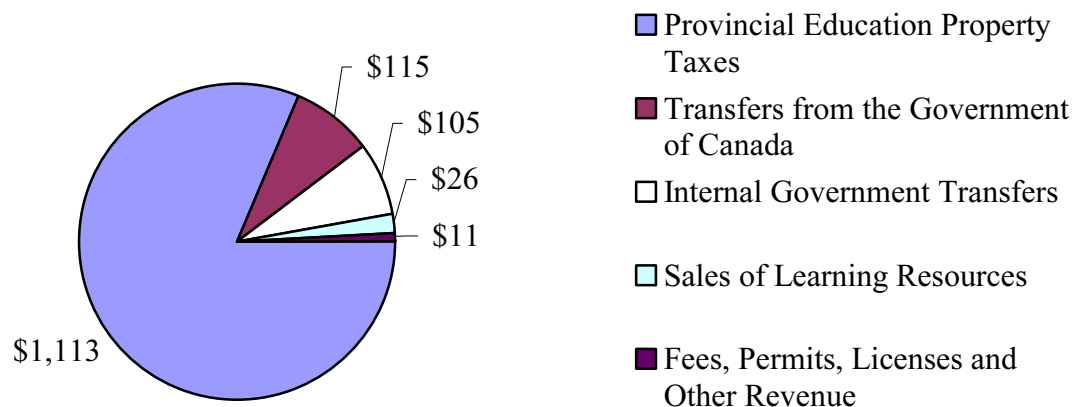
Apprenticeship and Industry Training increased \$5 million by providing additional funding to institutions through the Access Fund (Apprenticeship) to increase access to apprenticeship technical training.

REVENUES

Revenue for the Ministry of Learning totaled \$1,370 million for 2002/03, as follows:

- \$1,113 million of the Ministry's revenues was derived from provincial education property taxes which were collected by the provincial government through the Alberta School Foundation Fund
- \$105 million was received through internal government transfers, including
 - \$84 million from the Lottery Fund
 - \$21 million from the Alberta Heritage Scholarship Fund
- \$115 million in revenue was received in transfers from the Government of Canada, including
 - \$114 million in Canadian Health and Social Transfers
 - \$1 million in support of Canada Student Loans administration
- \$26 million in revenues related to the sale and distribution of learning and teaching resources that have been purchased directly from publishers or developed and printed by the Ministry
- \$11 million in revenues were generated from various programs such as Marketing Apprenticeship, high school transcripts, teacher certification fees, as well as other income sources such as investment income

Revenues by Source (in millions)



Comparison of 2002/2003 actuals to budget

Revenues were \$40 million less than budgeted as a result of the following:

- \$60 million less than expected in Canadian Health and Social Transfer revenue
- \$4 million lower than anticipated sales of learning and teaching resources

-
- Provincial education property taxes were \$20 million more than budgeted because of assessment growth and the inclusion of revenue that was previously held for assessment adjustments and appeals
 - \$4 million in increases over budget in other areas including Heritage Scholarship Fund revenue, investment income and refund of prior year expenses

Comparison of 2002/2003 actuals to prior year

Overall, revenues for the Ministry decreased \$1 million from 2001/02. However, the variances among the revenue sources varied more significantly:

- Provincial Education Property Taxes increased \$19 million due to an increase in the assessment base, as well as a change in the presentation that recognized revenue for amounts that had been held for assessment adjustments and appeals
- Lottery fund contributions were increased by \$32 million to include additional funding for community education, the online curriculum repository and high speed networking for schools
- Revenue associated with the distribution of Heritage Scholarships increased by \$2 million
- Alberta's share of Canadian Health and Social Transfers from the federal government has decreased, decreasing Learning's share by approximately \$51 million
- \$3 million decrease in the sale of learning resources

EXPENSES

Directly incurred expenses for the Ministry of Learning amounted to \$4,834 million for 2002/03, as follows:

- Approximately \$3,543 million in expenses related to Basic Learning:
 - \$2,940 million paid in operating support to Public and Separate School boards offset by \$147 million in amounts for opted-out school boards
 - Teachers' pension costs of \$374 million for the year
 - Costs relating to early childhood services of \$172 million
 - Support for private schools, excluding early childhood services, totaling \$68 million
 - \$30 million in expenses incurred to support student health
 - \$31 million paid to support other basic learning programs including the production and delivery of learning and teaching resources
 - Program delivery support of \$52 million and an additional \$20.1 million, which is Basic Learning's share of the expenses presented under ministry support services¹
 - \$3 million in debt servicing costs incurred by Alberta School Foundation Fund
- Approximately \$1,262 million in expenses related to Adult Learning:
 - \$920 million was paid to support post-secondary institutions
 - \$174 million in additional support was provided for faculty retention and other program support and to increase the accessibility of post-secondary programs
 - Support to post-secondary learners in the form of scholarships, bursaries, maintenance grants and student loan relief totaled \$124 million

¹ Ministry Support Services costs totaling \$27.5 million (2002 - \$29.9 million) are allocated based on each core business' proportion of overall Ministry expenses.

-
- Program delivery support of \$37 million and an additional \$7.2 million, which is Adult Learning's share of the expenses presented under ministry support services¹
 - Approximately \$29 million in expenses related to Apprenticeship and Industry Training:
 - Expenses of \$14 million were incurred to deliver the program
 - \$13 million in grants to post-secondary institutions to increase access to apprenticeship and industry training programs
 - Marketing Apprenticeship expenses were \$2 million
 - Apprenticeship and Industry Training's share of expenses presented under ministry support services was \$0.2 million¹

Comparison of 2002/2003 actuals to budget

Expenses were \$100 million higher than budgeted as a result of the following:

- \$88 million more than budgeted for expenses in Basic Learning consisting of
 - Greater than expected teachers' pension expenses of \$72 million primarily due to a \$60 million one-time payment on behalf of teachers towards their unfunded pension liability and \$9 million more than budgeted to reflect the effect of increased teachers' salaries and poor investment performance on the unfunded pension liability
 - Additional funding of \$5 million to opted-out school boards to supplement their funding for basic learning
 - Early childhood services grants increased \$7 million as a result of increased enrolment
 - \$7 million more for private schools due to enrolment increases
 - \$4 million more than expected in program delivery costs and a \$1 million reduction in Basic Learning's share of ministry support services
 - A \$2 million increase over budget in student health costs
 - \$7 million lower than expected expenses for other Basic Learning programs, including some operating grants and the Learning Resources Centre. As a dedicated revenue initiative, decreased sales at Learning Resources Centre were matched by reduced expenses
 - \$1 million reduction in debt servicing costs
- \$10 million over budget in Adult Learning comprised of
 - \$31 million unbudgeted liability to fund the purchase of a research facility for the University of Calgary
 - Increased program systems support of \$2 million
 - \$15 million reduction in demand for student funding programs primarily comprised of student loan relief benefits, maintenance grants, scholarships and bursaries
 - \$6 million lower than expected provision for student loans due to an anticipated reduction in future payments on these loans
 - \$2 million reduction in program delivery support
- Apprenticeship and Industry Training costs varied \$2 million from budget due to funding provided to increase the accessibility of Apprenticeship programs

¹ Ministry Support Services costs totaling \$27.5 million (2002 - \$29.9 million) are allocated based on each core business' proportion of overall Ministry expenses.

Comparison of 2002/2003 actuals to prior year

Expenses increased \$298 million over 2001/02. This is a result of

- Increases totaling \$207 million in Basic Learning from the following:
 - Grant rate increases, increased enrolment, and teacher salary enhancements resulted in an additional \$112 million in support to public and separate school boards
 - Teachers' pension costs increased by \$93 million, primarily due to a \$60 million one-time payment on behalf of teachers to fund the unfunded pension liability. Other increases included an increase in past and current service contributions and an increase reflecting the effect of increased teachers' salaries and poor investment performance of pension assets on the unfunded pension liability
 - There were increases in spending to early childhood services (\$9 million), student health (\$3 million) and private schools (\$1 million)
 - \$7 million increase in program delivery support and a \$3 million reduction in Basic Learning's share of ministry support services
 - \$11 million less due to increased property tax support to opted-out school boards
 - \$4 million lower than 2001/02 in other basic learning programs including a reduction in costs associated with reduced sales of learning resources and reduced debt servicing costs
- Increases totaling \$86 million in Adult Learning due to
 - A \$63 million increase in operating grants to post-secondary institutions
 - Performance funding of \$9 million to post-secondary institutions in 2001/02 was not available in the current year. Instead, operating grant increases were provided to all post-secondary institutions as demonstrated above
 - A decrease in faculty retention funding of \$17 million. Prior years' faculty retention funding was rolled in to the current years' operating grants for post-secondary institutions, as demonstrated above, and an additional \$11 million was provided in the current year.
 - An additional \$11 million to increase students' access to post-secondary programs
 - A \$31 million one-time expense for the purchase of a research facility at the University of Calgary
 - Increased student loan relief benefit funding of \$8 million resulting from the first full year of providing this funding to students
 - Increases of \$5 million for Achievement and Heritage Scholarships
 - A \$10 million reduction in the provision for student loans caused by the gradual phasing out of bank administered student loans
 - A reduction in program delivery support of \$3 million and an increase in program systems support of \$7 million
- Increases totaling \$5 million in Apprenticeship and Industry Training primarily due to increased grants to post-secondary institutions earmarked for apprenticeship and industry training initiatives.

GRANTS

Grants accounted for \$4,572 million or 95% of the total amount of the Ministry's expenses.

- Grants to school boards totaled \$2,944 million and consisted of
 - \$2,996 million in instruction and support block funding and other enrollment driven funding offset by \$147 million school property taxes already collected by opted-out separate school boards, who have the authority to requisition and collect levies on their residential and non-residential properties
 - \$65 million in grants for the Alberta Initiative for School Improvement
 - \$30 million for the Student Health program
- Grants to post-secondary institutions totaled \$1,076 million and consisted of
 - \$944 million in operating and conditional grant funding
 - \$102 million to support program expansion through the Access Fund
 - \$13 million in faculty retention and equity grants
 - \$17 million in other program support for adult learning programs
- Grants to adult learners totaled \$116 million and were comprised of
 - \$59 million in assistance to learners in the form of student loan relief benefits, maintenance grants, Alberta opportunities bursaries, achievement and other scholarships
 - \$36 million as a provision for the future cost of student loans for remissions, interest and loan guarantees
 - \$21 million in scholarships funded through the Alberta Heritage Scholarship Fund
- Other grants in the amount of \$436 million included
 - Grants to the teachers' pension of \$122 million for current service and \$118 million for past service. Also, there is a one time payment of \$60 million toward the teachers' share of the unfunded pension liability
 - \$112 million in financial assistance to private schools for early childhood services and instruction grants
 - \$24 million in grants for other areas including community education programs and learning television

Looking Ahead: Opportunities and Challenges for Alberta's Learning System

Education is increasingly being recognized as a key anchor for facilitating and securing economic growth, societal prosperity, and healthy communities, thereby improving the standard of living. For Alberta to continue to prosper, emphasis should continue to be placed on ensuring access to early childhood education, successful completion of K-12 learning, smooth transitions to post-secondary learning, and participation in a continuum of lifelong learning.

Alberta is already recognized nationally and internationally for the excellence of its learning system. To sustain and improve upon this excellence and ensure Albertans are prepared for success in the knowledge economy, Alberta Learning, its partners, and its stakeholders will continue to enhance the capacity of the system to respond to significant, consistent environmental influences and related expectations.

Providing a Strong Foundation for Children and Youth

In a society influenced by lifelong learning, it is critical that children enter school ready to learn. Ensuring school readiness may reduce the need for remedial services during and beyond school years. Meeting children's basic educational needs to allow them to benefit fully from school is a responsibility shared between Alberta Learning and its partners, its learning system stakeholders, and Alberta's parents. The priority of the learning system is to meet the basic educational needs of children and youth and enable them to fully benefit from school. For Alberta's youth to take full advantage of opportunities beyond basic learning, well-rounded preparation for further learning, work and community participation is essential. Opportunities and challenges include:

- Optimizing early childhood development and basic education to build a strong foundation of cognitive, physical, emotional and spiritual health necessary for the development of fundamental skills and knowledge for full participation of Albertans in lifelong learning.
- Providing opportunities to address literacy issues for all age groups in Alberta, as literacy is a basic foundation for all learning and for success in the knowledge-based society and economy.
- Promoting completion of high school to encourage advancement, as high school academic achievement and completion are strong predictors of post-secondary success and employment.

Ensuring High Quality Learning Opportunities for All

Learners and learning stakeholders have rising expectations for a choice-filled, high quality, and safe learning system. Adding to these challenges, Alberta continues to face the complexities of significant demographic trends, including a growing senior population, an increasing Aboriginal youth population, an aging workforce, rural depopulation, and urban population growth. Opportunities and challenges include:

- Devising innovative ways to consult with Albertans to obtain their input on priorities for the lifelong learning system.
- Working with communities to address the learning needs of First Nations, Métis, and Inuit children and youth and enhancing current levels of educational attainment among Aboriginal youth.
- Collaborating with partners and stakeholders to assess trends, needs, best practices, and the opportunities and challenges of learning technology as well as to clarify roles and responsibilities among the Ministry, learning providers, and learners on planning and implementing improvements in the use of technology.
- Enhancing lifelong learning opportunities for Albertans through electronic access to learning resources and multimedia learning materials.
- Ensuring that programming, curriculum and instructor preparation keep pace with the rapid technological advances and the inherent changes of a knowledge-based economy.
- Responding to industry requests for designating new trades and occupations to ensure that employers have the skilled workers they require and that high standards of training are maintained.
- Attracting and retaining teachers and faculty, especially in the areas of math, science, second languages and post-secondary education, as improved economies and aging populations increase competition for human resources.
- Working with partners and stakeholders to respond to the needs of learners entering the system from outside Alberta and Canada.
- Enhancing education delivery methods to assist rural communities in maintaining quality service levels.

Preparing a Highly Knowledgeable and Skilled Workforce

In modern societies, knowledge, innovation, and education are the key drivers of economic and societal prosperity. In the emerging knowledge-based economy, with its emphasis on ideas, communication, and innovation, education and lifelong learning are more important than ever for success. It is also expected that the future labour market demand will continue to be concentrated on jobs requiring some form of post-secondary education or training. In addition, jobs that have traditionally required minimal knowledge, skills and training are expanding their scope in response to challenges from new technologies, safety issues and customer service expectations. Opportunities and challenges include:

- Fostering recognition of learning as an investment in the future of individuals and the province as a whole. Often in strong economies, readily available employment opportunities may lead some individuals to postpone their decision to pursue further learning.
- Ensuring that a wide range of initiatives and programs are in place and publicized to support learning across the stages of life.
- Improving participation in second language learning in recognition of its impact on intellectual potential and development, scholastic achievement, first language skills, citizenship, and the economy.
- Enhancing awareness of rising workplace skill requirements and skill development opportunities, of the affordability of post-secondary education, and of the financial support available to access post-secondary education.
- Developing strategies to increase high school completion rates and the likelihood of students' continuation to post-secondary learning to ensure Albertans are prepared to participate in and benefit from the knowledge-based economy.
- Developing strategies to address industry's need for a highly skilled and trained workforce, especially in areas of expected skill shortages.

Sustainability of the Learning System

In addition to the question of how to maintain high quality, relevant, accessible and affordable learning opportunities is the issue of how to sustain the learning infrastructure in the long term. Parents are expressing a desire to have greater input into decision-making on educational policies and their children's educational choices. Business and industry are demanding more relevant training with increasing standards. Trends are towards increasingly individualized, learner-centered instruction. An additional aspect resulting from the increased public demand for lifelong learning is an environment where education potentially becomes a competitive business sector. This increases the learner's choices; however, accountability for quality of education may be compromised unless government plays a role to ensure that accessible, affordable and quality education is maintained. Various demands are being made of the learning system, which is striving to adapt while sustaining itself over the long term.

Opportunities and challenges include:

- Developing an overall strategy to sustain the learning infrastructure in the long term while maintaining its flexibility to adapt to changing needs.
- Clarifying roles and responsibilities for accountability among the federal government, the provincial government, learning providers, and learners.
- Ensuring governments, institutions and communities develop solutions on how to share the responsibility for infrastructure renewal.
- Ensuring Alberta's learning system has the ability to adjust programming and curriculum to keep pace with the changes inherent in the fast-paced changing environment.
- Ensuring adequate investment is provided for the learning system throughout the province.
- Reviewing the government's role in ensuring that accessible, affordable and quality education is maintained in the increasingly competitive education sector.

Through on-going work with partners and stakeholders, Alberta Learning will continue to address these challenges and opportunities and improve on the foundation of excellence in the learning system by further enhancing the strategic direction of the Ministry. To focus efforts more effectively throughout the learning system, the goals were consolidated from five to three in the 2003-2006 business plan. The Ministry's plan for 2003-06 contains strategies that address the Ministry's on-going opportunities and challenges.