

Alberta Political Economy in Crisis: Whither Education?

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Since the onset of recession in the late 1970s public education systems in the industrialized capitalist world have come under mounting criticism and pressure for change. "Reforms" of education have not been confined to fiscal measures but also include changes in management, curriculum, and evaluation practices. There have also been shifts in the balance between local and centralized authority, and between public and private control of education. The province of Alberta's boom-bust oil economy interestingly illustrates educational restructuring now underway in Canada and elsewhere. The Alberta Government during the 1980s has sought not just to improve efficient delivery of public education, but systematically to redirect and to restructure education in line with changing capital accumulation requirements.

Depuis le début de la récession vers la fin des années 1970, les systèmes d'éducation publics dans le monde capitaliste industrialisé font l'objet de plus en plus de critiques et de pressions en vue de réformes. Les "réformes" de l'éducation ne se sont pas limitées à des mesures fiscales, mais ont compris, entre autres, des innovations dans la gestion, les programmes et les méthodes d'évaluation. Les rapports de force entre le pouvoir local et le pouvoir centralisé ainsi qu'entre les établissements publics et privés sont également en mutation. L'économie de l'Alberta, stimulée par ses richesses pétrolières, nous fournit l'occasion de voir l'orientation que prend actuellement la restructuration de l'éducation au Canada et ailleurs. Durant les années 1980, le gouvernement de l'Alberta a cherché non seulement à se doter d'un système d'éducation public plus efficace, mais à réorienter et à structurer systématiquement l'éducation pour qu'elle réponde aux besoins nouveaux d'une économie prospère.

Since 1975, public education in the developed world has been subjected to increasing scrutiny and fiscal restraint (Livingstone, pp. 57-67). UNESCO data from Canada, the U.S.A., the U.K., Germany, Sweden, the U.S.S.R. and Japan show educational spending in decline relative to gross national product and/or total government expenditures after the mid-1970s.¹ Wirt and Harman, examining the impact on education of the world recession in the final quarter of this century, found that in certain developed nations governmental response to stagnated growth in GNP had similar effects on education:

- [A] Slowing the rate of increase or an actual decrease in expenditures for public education. (p. 174)
- [B] ... [S]hifting power relationships between national and state provincial-local levels of school governance ... [towards] 'centralization' and 're-centralization.' (p. 171)
- [C] Changing the curriculum, which had emphasized liberal education, to one which emphasized preparation for work (or vocational education) ...
- [D] Improving teacher preparation, changing pedagogical methods and stressing teacher effort ... to improve student learning or increase 'productivity' ...
- [E] Less influence by professional educators upon any of the foregoing changes in public policy. (p. 174) (alphabetical ordering added)

Commenting on similar changes in this country, Williams noted: "Canada has moved from a tradition of professional dominance of most educational policies to one now of overt elected politician dominance represented by swings to the right in fiscal policies, curricular policies and on many personnel matters" (p. 45).

In Canada, a federal system where education is a provincial responsibility, financial commitment to education is declining not just at the national level, but more importantly, at the provincial level as well. Public education expenditures relative to GDP were lower in 1985–1986 than in 1975–1976 in every province but Manitoba and Saskatchewan.² Similarly, educational expenditures relative to total provincial and municipal expenditures were lower in 1986–1987 than in 1975–1976 in every province.³ Although financial constraints on education in Canada have been widely discussed, there has been little analysis of changed policies, structure, and educational organization under fiscal restraint, excepting Williams's, and of Fisher's and Gilgoff's on education in British Columbia (pp. 69–93).

The province of Alberta provides a particularly interesting case for such an examination. Its "economic and fiscal dependence on oil, natural gas and agriculture industries is the fundamental determinant of the province's political economy" (Tupper, p. 104). Unlike most developed economies, Alberta benefitted from the rapid escalation of energy prices at the onset of the world recession. By 1978–1979, when oil prices reached their peak, the provincial government derived 79% of its revenues from oil and other non-renewable resources.⁴ Beginning in 1980–1981, the drop in oil prices that brought relief to others, plunged the Alberta economy deep into recession. Provincial resource revenues fell from 5.5 billion dollars in 1980–1981 to 1.25 billion dollars in 1986–1987 (1981 constant dollars). The decline led first to hold-

the-line budgets and later to stringent budget cuts.⁵ These attempts to control spending and to limit the provincial deficit hit education even harder than other areas of social spending.⁶

Non-fiscal changes in the education system form an integral part of revised government strategy on economic and industrial development. Announced in a 1984 *White Paper*, the strategy argues the need for specific changes in the provincial educational system. Our paper examines how policies of the Alberta Government during the 1980s have altered both the funding and structure of education at the elementary-secondary and post-secondary levels. We emphasize (1) spending cuts and changes in the management of education including centralization of control; (2) curriculum changes that emphasize the core or basics and reduce options or frills, and that reimpose standardized tests and elaborate streamed program levels; and (3) diversion of funds from public educational institutions to private programs. Throughout, we see educational change in Alberta in light of the impact of global economic crisis (O'Connor, 1984, 1986), and understand the changing political economy of the province in that same context, especially the growth of an interventionist and "positive" state in Alberta since the rise to power in 1971 of the provincial Progressive Conservative Party (Tupper, p. 101).

SPENDING CUTS AND CHANGES IN MANAGEMENT

Evidence of the Alberta government's declining financial commitment to education is persuasive. Reductions in educational spending were evident as early as the mid-1970s. Educational expenditures constituted 30.8% of total provincial and municipal spending in 1970–1971, but only 23.6% by 1975–1976. The comparable figure for 1980–1981 was 19.2% decreasing to 18.3% in 1986–1987.⁷ Although all other Canadian provinces show at least small decreases in this measure of financial commitment, the decline in educational spending as a proportion of provincial and municipal expenditures is largest in Alberta. Some part of the decrease in other provinces can be explained by falling elementary-secondary enrolments. In Alberta, however, both elementary-secondary and tertiary enrolments were higher in 1986–1987 than in 1970–1971.⁸ Given the enrolment data, decreases in the proportion of provincial and municipal expenditures devoted to education indicate decreased commitment to education as an important element of public expenditure.

Per-student expenditures also reflect educational spending policy. Alberta data for elementary-secondary per-pupil spending show a somewhat later decrease in the level of support than indicated above. Constant dollar expenditures were \$2080 in 1970–1971 and rose considerably to \$3548 by the end of the decade. From 1981–1982, spending hovered around \$3800 until 1987–1988, when an across-the-board cut of 3% in provincial operating

grants to education reduced elementary-secondary per-pupil spending to \$3671.⁹

Shifts in municipal and provincial contributions to elementary-secondary explain the province's limited success in reducing expenditures. Between 1970–1971 and 1975–1976, the provincial share of elementary-secondary spending rose from 55.8% to 68.7% with a corresponding decrease in the municipal share. By 1980–1981, the provincial share had fallen to 60.9%, with gradual decreases since then to 57.0% in 1984–1985, the last year for which such figures are available.¹⁰ The rising share of municipal expenditures demonstrates that although the provincial government committed a smaller proportion of its resources to education after the mid-1970s, per-pupil expenditures did not fall accordingly. Increasing supplementary requisitions by school boards have compensated for decreases in provincial spending. This shift has important ramifications for taxpayers. Since the main source of revenue for municipalities is the property tax levied at a uniform rate, the effect of shifting more education costs to the local level weighs more heavily on lower and middle class homeowners than on the affluent.

Provincial government attempts to control spending on public elementary-secondary education have not been confined to budget cuts. Alberta Education has also devised regulatory mechanisms and administrative policies to limit educational spending. As early as 1969, a regulation restricted school boards' increases in local taxes for any given year to no more than 7% of the supplementary requisition for the preceding year. This was accompanied by a limit on new school construction requiring that 60% of the projected school enrolment be resident before a new facility could be built. The effect of these early constraints on school board spending was limited by population growth, rising incomes and inflation during the oil boom. By the early 1980s, the boom had turned to bust. Decreasing government revenues led to a renewed attack on educational spending. But, as the figures on per pupil expenditures show, the provincial government's attempts to reduce educational costs were thwarted by school board increases in supplementary requisitions. Reinforced by skepticism about the returns to educational investment in human capital, and by pressure from business interests, the government turned again to regulation in order to reduce spending.

The first element in the new pattern of increasing provincial control was the reintroduction in 1983 of a province-wide system of priority assignment for school construction that took little account of such local differences as the size or the growth of communities (*1984–1988 Capital Plan*). There had already been a reduction in provincial support for capital projects in 1977 when the provincial contribution of two-thirds of capital costs was cut to one-half.

Alberta Education also implemented a new *Management and Finance Plan* in 1984 ostensibly to provide "greater autonomy and flexibility to school ju-

risdictions" while at the same time "ensuring the highest possible quality of teaching, programs and schools," achieving "increased efficiency" and putting "greater emphasis on a partnership relationship between school jurisdictions and the province in planning, delivery and assessment of educational programs" (p. 2). The *Management and Finance Plan* requires school boards to submit to the department "information on policies, plans and programs for the subsequent year, . . . annual reports of their programs and services" and to require "thorough on-going monitoring and evaluation" (p. 4). Contrary to promises of greater autonomy and flexibility for school jurisdictions, this new plan meant more centralized control by Alberta Education. The department's own analysis pointed out that this plan required both a higher degree of local compliance to provincial policies and guidelines and more monitoring and evaluation than previously, all with the objective of continuing budget restraint and staff reduction (pp. 2, 4).

The most recent move to increased provincial control over school boards is contained in the provisions of the new *School Act*. Although the discussion paper on the new *School Act* was called *Partners in Education*, an examination of the *Act* shows it to be a lopsided partnership. The list of new ministerial powers is long and includes calling board meetings; ordering a board to sell property; approving partial closures of schools; and regulation of student records, recreation and social service agreements, banking, investments, transfer of students and much more (*School Act*). The responsibilities of school boards are so diminished one wonders if there is a role for them at all.

Another measure intended to increase provincial control over finances was to be included in the *School Act* but was put off to a later date. This proposal would send funds collected through school levies on corporate property to the province rather than to local school boards (a policy known as "Equity in Education Financing"). Such funds would then be redistributed on an equalized basis to school boards. While equalization may be a noble endeavour, the effect of such a change would be to increase government fiscal control over school boards and to make it more difficult for school boards to maintain education spending at levels that are higher than the provincial government might wish. The removal of school boards' power to assess and collect the levy on corporate property is intended to shield corporate and business interests from taxes that the business-oriented provincial government thinks inconsistent with its commitment to make Alberta an attractive place for investment (*White Paper*, p. 59). A shorter term political goal may also be at work here: to make it appear that a larger portion of school funding comes from the provincial government than is actually the case.

Similar constraints on spending occur at the university level. From 1980–1981 on, per student spending has been in continuous decline. By 1987–1988, expenditures of \$6602 (1981 constant dollars) per full-time

equivalent were lower than the 1970–1971 figure of \$7746.¹¹ This was so despite a federal government contribution that since 1970–1971, though variable, has been as high as 88% of the provincial operating grant for post-secondary education and never less than 65%.¹² Because the provincial government sets grant levels and is not required, as it was in the past, to demonstrate that federal transfers are actually spent on tertiary education, and because universities unlike school boards do not have the power to levy taxes, the Alberta government has been able to control post-secondary spending to a degree not possible at the elementary-secondary level.

As in the case of elementary-secondary education, the provincial government has supplemented restrictions in grants with other means of shaping higher education policy. Although universities are formally autonomous in setting academic priorities, the government encouraged expansion of enrolment in certain technical and professional fields while at the same time limiting the overall growth in operating grants. They did this by making special supplementary operating grants to such faculties as Engineering and Business during the early 1980s when the demand for people with such training was still high. Similarly, expansion of some forms of technical and trade training continued in the non-university sector in the early 1980s, although low demand for skilled trades and technical personnel, has led the government to consider closing one technical institution created during this period.

The new more stringent restraints on spending for higher education and changes in programs by the government and post-secondary institutions themselves, embody shifting priorities of both provincial and federal governments. When a new federal-provincial funding agreement—the Established Programs Financing [EPF] Plan—was put in place in 1977, the federal funding share was expected to fall gradually to 50%. This expectation did not materialize. Between 1980–1981 and 1984–1985, EPF transfers to Alberta for tertiary education have averaged 77.5% of provincial operating grants.¹³ The situation is now changing. A new federal government bent on deficit reduction, in 1985, announced a program to reduce federal contributions for post-secondary education by two billion dollars (\$200 million for Alberta) between 1986 and 1990 (CAFA). For post-secondary institutions the combined actions of the federal and provincial governments can only mean still leaner times.

In addition to strictly fiscal measures, the Alberta government has used a number of managerial and policy mechanisms to effect controls on educational spending. Reduction in educational spending and centralization of control, however, form only part of a more general plan of educational restructuring that includes important changes in the content and process of schooling.

CURRICULUM CHANGES AND THE REIMPOSITION OF STANDARDIZED TESTS

A number of curriculum and program changes at the elementary-secondary level have been implemented since 1980. They were designed to create a more responsive, efficient, less expensive educational system and to answer criticism from employers and other interest groups who perceived inadequacies in an educational system that did not make it possible for new entrants into the labour market to be instantly employable. The first of these involved moving away from certain practices of the 1970s. School boards then had some freedom to develop their own curricula and to choose textbooks and pedagogical resources. Beginning in 1980 with the social studies curriculum, the courses of study in all subjects in all grades have become increasingly prescriptive. In the case of texts and resources, teachers may not use materials that are not on the prescribed or recommended lists without approval from their school boards which must in turn receive departmental approval.

Over the last five years, the provincial government and Alberta Education have released policy documents on topics ranging from proposed changes in *The Teaching Profession Act* and the *Review of Secondary Programs* to the already-mentioned *School Act* and *Management and Finance Plan*. Each proposal would further the goal of centralized control of curriculum and standards while at the same time diminishing the role of professionals and school boards. The *Management and Finance Plan* includes a series of evaluation policies in the areas of student, teacher, program, school and school system evaluation. The new *School Act*, according to the minister "sets new directions for the future . . . primarily by defining appropriate roles and responsibilities for students, parents, school trustees, and administrators, and for the provincial government itself" (Betkowski, p. 31). In both measures administrators, trustees and especially, teachers become more accountable to parents and Alberta Education. Further, the department took significant action in establishing the Council on Alberta Teaching Standards to replace the defunct Board of Teacher Education and Certification. In replacing teacher representatives selected by the Alberta Teachers Association (ATA) with teachers appointed by the Minister, the professional union's role in teacher education and certification was considerably reduced. The ATA can only hope that the new *Teaching Profession Act* does not make membership in the professional association optional as is the case in British Columbia.

Improvement in the quality of education has emerged as another major thrust of the current reforms being pursued in Alberta. Using excellence as the watchword, the government continued to move towards more highly standardized and monitored programs. After an absence of more than ten years, Alberta Education reinstituted standardized examinations for grade twelve English, Social Studies, Mathematics, Biology, Chemistry and Physics

in 1984. At the same time, routine achievement testing was begun for grades 3, 6, and 9.

Prefaced by a policy statement that "We believe a commitment to excellence in our schools will encourage excellence in students and in all others involved with education" (*Partners in Education*, p. 2), a new secondary education policy took effect in the 1986–1987 and 1987–1988 school terms. Under the policy, the return to a basic core curriculum went one step further. Sixty-five to seventy-five percent of instructional time in grades 7–9 is spent on the mandatory academic core curriculum with the remaining time available for a much narrower range of options closely regulated by Alberta Education (*Secondary Education in Alberta*, p. 23). The academic core also got more emphasis in High School.

For a General Diploma, students must obtain 62 of 100 credits in the mandatory core. For an Advanced Diploma, students must obtain 76 of 100 credits in the mandatory core (*Proposed Directions for Senior High School Programs and Graduation Requirements*, pp. 8–9). What effect these requirements will have on performance and participation rates remains to be seen. Even if excellence is not achieved, the mandatory core curriculum will not require as varied a range of teacher specialization and so may reduce educational costs. Certainly school boards and teachers will be more accountable and more easily evaluated.

This reborn commitment to excellence has also begun to penetrate institutional structures beyond the K–12 level. At the post-secondary level, new entry requirements including writing competency tests and higher entry averages have been introduced by Alberta's universities in the name of "excellence" and in the hope that the number of unemployed young people flooding student ranks may be contained. This undefined excellence has achieved institutional respectability. The University of Alberta document *The Next Decade and Beyond* states:

The Goal of the University of Alberta is the Achievement of Excellence:
 Excellence in Scholarship and Research
 Excellence in Teaching and Learning
 Excellence in Service to Society.

In the pursuit of this goal the University should aim to be numbered among the best universities in the world and should use international standards to measure success. (p. 12)

According to the document, excellence will be achieved by setting higher standards for entrance, by reducing undergraduate enrolment and limiting professional studies while increasing graduate enrolment and by increasing efforts "to discover and disseminate new knowledge" (p. 9) and making this a main goal of the University. Like the new secondary curriculum the

emphasis will be on a core curriculum, in this case, weighted more heavily toward the sciences.

Paralleling limits on entry to undergraduate university education, the number and length of community college university-transfer programs have expanded—such programs are cheaper than their university counterparts. Indeed, although still at a very informal stage, there are proposals to give some colleges degree-granting status. Another stream of more accessible and cheaper post-secondary education has been introduced in the form of Community Educational Consortia in five regions of the province. Beginning in 1981–1982, the Community Consortia “provide smaller communities with credit programs leading to a diploma, degree or certificate being awarded by a participating institution or a recognized licensing body” (Alberta Advanced Education, *Annual Report, 1982–1983*, p. 81). These are essentially distance education programs offered by established university, college and vocational institutions. Finally, the vocationalization of education is evident in the continuing expansion of programs in the Alberta Vocational Centres and in the growth of para-professional programs in community colleges. The growth of such programs in the non-university sector provides cheap, vocationalized training in institutions that lack the traditional and legislative autonomy of the universities and so are easier for the provincial government to control.

All these changes not only alter the content and form of both elementary-secondary and post-secondary education but also serve either to increase centralized control over parts of the educational system, or to limit entry to it and thus to provide a more manipulable and cheaper education system. The final element of the Alberta government’s efforts to cut spending and restructure education is the gradual privatization of some aspects of public education.

DIVERSION OF RESOURCES TO PRIVATE PROGRAMS

Historically, governments in Alberta have closely restricted private schooling. A change in policy was signalled in 1974 when private elementary-secondary schools became eligible for operational funding from the province to the extent of 75% of the per pupil grant. Then, in 1978 a provincial court judge ruled that by requiring Holdeman Mennonite parents to send their children to schools with certificated teachers who adhered to the provincial curriculum, the Department of Education was interfering with religious freedoms guaranteed by the *Alberta Bill of Rights*.¹⁴ This ruling offered the provincial government a propitious opportunity to go one step further towards privatization. Rather than appeal the ruling to a higher court, the government chose to amend the private school regulations. It added an additional category of schools—Category 4 schools—that did not comply either with

certification or with curriculum requirements and were not eligible for per pupil grants.

Woods Gordon, Management Consulting, in a 1984 report commissioned by Alberta Education, recommended that such private schools be required to hire certificated teachers and to follow the provincial curriculum with allowance for a reduced core in social studies, science, and physical education for grades 1–9 (pp. 31–32). To date the government has taken only limited action on the curriculum recommendations and none on the certification recommendation. This reluctance to regulate the private sector is in direct contrast to the increasing control exercised by Alberta Education over schooling in the public sector.

The combination of these factors has led to steady growth in private schooling in the province. While private elementary and secondary schools still constitute a very small proportion of overall enrolment at that level, their enrolments in recent years have more than doubled from 6,348 in 1980–1981 to 13,997 in 1985–1986.¹⁵ In 1975–1976, \$2,513,000 (1981 constant dollars) in public funds were paid to private elementary-secondary schools primarily for handicapped children. Over the period between 1980–1981 and 1984–1985 provincial grants to eligible private elementary-secondary schools rose from \$8,099,000 to \$12,190,000.¹⁶ This increase of more than 50% in five years occurred as responsibility for education of the handicapped was transferred almost entirely to the public schools. Wilkinson suggests one reason why the government might be favourably disposed to private schooling: “Private or independent schools, at least partly financed by government, may be seen as a way to both reduce or limit expenditures and improve quality” (p. 556). Per-pupil expenditures in private elementary-secondary schools averaged \$2909 compared to \$3735 for public schools in 1984–1985. Private schools “cost” less than public schools.¹⁷ There is doubt however, on whether private schooling necessarily improves quality:

Too many Alberta private schools offer a shallow, substandard education that can no longer be tolerated, say two reports prepared for Education Minister Dave King.

Poor curriculum, bigoted teaching, and inadequate teaching plague some private schools to a degree that students are hopelessly unprepared for provincial exams, researchers found. . . . Like the ACE [Accelerated Christian Education] curriculum, the 10 schools that used the Alpha Omega program were found to discourage critical thinking in favour of drills. Researchers also found inadequate curriculum, no Canadian content and biased instruction. “Statements to the effect that all other religious faiths practise ‘false worship,’ that they ‘worship false gods’ and are therefore ‘wicked’ do not promote tolerance and understanding of others.” (Goyette, 1984)

At the tertiary level, the creation of two new bodies reflect the government’s increasingly favourable disposition to private education—the Private Vocational Schools Advisory Council and the Private Colleges Accreditation Board. When the *Private Vocational Schools Act* came into effect in 1980–1981,

the privately operated vocational schools that fell under its purview had a capacity of 1699 students. By 1985–1986, 28,000 students, many of whom were eligible for public job training funds and student loans, were enrolled in private vocational schools.¹⁸

During 1984–1985, the Private Colleges Accreditation Board was established under the *Universities Act* “and empowered to establish minimum conditions to be met by private colleges that propose to offer programs leading to bachelors’ degrees” (Alberta Advanced Education, *Annual Report, 1984–1985*, p. 48). Prior to the creation of this board, accreditation was dependent on approval of programs and courses for transfer by a committee controlled by the universities. Between the mid-1970s and the mid-1980s two private religious colleges experienced difficulty in getting the necessary approval for university transfer courses and the funding that went with them. When the second institution was completely unable to get the necessary approvals, the government moved to circumvent the Council on Admissions and Transfers by creating the Private Colleges Accreditation Board.

None of the measures outlined above yet constitute a major diversion of funds from public sector education to the private sector. They are, however, an important change from educational policies that in the past regulated and limited private education very closely. The new policies give more latitude to private education despite considerable controversy over private schools:

At least half the teachers in the category-four-schools surveyed have only Grade 9 or 10 education. . . . “It isn’t very difficult to get (Category 4) approval from the government.” “It is tougher for some of the schools to pass the required building code standards than it is to pass the educational standards. . . .” (Heiman, p. A1)

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The Alberta Tories’ big push into higher-education-for-profit has been sent back to remedial class again. Hard on the heels of the spectacular crash of the high-flying Computer Career Institute (requiring a \$400,000 government bailout) came the revelation in yesterday’s Edmonton *Sun* about another collapsing campus. Now it’s the Alberta Fashion and Design Career College’s time to go on permanent spring break following action by the British Columbia Securities Commission last Tuesday. (Waugh, 1988)

Government steadfastness in the face of these difficulties is understandable given that the religious and political conservatism of many private schools that have sprung up resonates with political philosophy of the government and fits well with its policies of fiscal restraint on social spending.

CONCLUSION

The Alberta government’s education policy is a response to economic pressures and to consequent redefinition of goals. The rationale offered in

the *Management and Finance Plan* for a broad range of alterations in educational policy remarks that:

Recently, a number of significant events have affected all aspects of our lives. For example, the rates of economic growth and population increase have slowed down, and these trends are expected to continue for some time. As a result, attention has focussed on the need for the public and private sectors to achieve increased efficiency and quality of output. The current emphasis in education on evaluation of students, teachers, schools, school jurisdictions and programs is an illustration of this reality. (p. 2)

The fiscal restraints, recentralization of control over education, the back-to-the-basics curriculum, standardized evaluation and monitoring, and privatization constitute an extensive program of state-initiated educational restructuring. Many of these actions are premised on the long-range industrial development strategy for the province of the 1984 *White Paper: Proposals for an Industrial and Science Strategy for Albertans, 1985–90*. The *White Paper* underlines the necessity of a continuous and rapid rate of capital accumulation for the success of the provincial industrialization strategy. It argues that the global recession and the low prices for agricultural and energy commodities have made for hard times in Alberta, and it proposes new directions in economic and educational policy to bolster faltering economic growth.

The Alberta government, as this document makes clear, is acutely aware that it faces the same economic contradictions as other developed economies. The fiscal crisis is deepened in Alberta because of a narrow industrial base and heavy reliance on the energy and agricultural sectors. Declining prices and vanishing markets for its commodities, particularly since the early eighties, have thrown the government into a fiscal tailspin. It has been forced into a corner by the logic of an earlier development strategy premised on achieving a breakthrough in economic diversification by means of rapid expansion of the energy sector (*Alberta's Industrial Strategy: New Directions for the Seventies*). To salvage the strategy, the government is endeavouring to recreate attractive conditions for private capital in the province while preserving its own entrepreneurial role in its mission of province-building (Pratt & Richards, pp. 236–249). It must resort to policies of severe fiscal restraint. At the same time, consistent with the role of state-as-entrepreneur, the province must return to its interventionist stance of the early 1970s. It must harness investment in social expenditures, especially education, to the task of revitalizing economic growth and capital accumulation (*White Paper*, p. 39). This has meant that the state will not merely direct public funds away from education but also re-orient the education system itself.

The *White Paper* emphasizes that "Alberta's educational system should co-ordinate its policies and curriculum in conjunction with the 1985–1990 Industrial Strategy objectives" (p. 67). Such coordination would require

important changes in curriculum content in social studies and in the study of foreign languages, the inculcation of free market values, and selective expansion of the post-secondary system emphasizing "international" studies of science and business administration. Anticipating the development in students of the desired ideological perspectives, the *White Paper* unambiguously states "Education should foster ideas of risk-taking, innovation and the pursuit of excellence" (p. 67). The statement of these new educational expectations signals an important shift from the government's primary concern in the late seventies and early eighties with fiscal restraints on educational spending, to its current concern with achieving a closer fit between the needs of the economy and the required educational outputs.

In examining state policies concerning education, we have drawn attention to the effect on Alberta of the world economic crisis. Alberta is not alone in its difficulties. Canada as a whole is particularly vulnerable to the crisis since it continues to be so heavily dependent on staple exports as well as on United States markets (Marchak, 1985, p. 694). Two other features of the political economy of Canada exacerbate these problems. First, the nation's economy is unevenly developed and regionalized, with industrialized Central Canada on the one side and staple-dependent Western and Atlantic Canada on the other. Second, Canada is a liberal democratic state that responds to the demands of private capital and, equally important, to the social demands and expectations of other classes (Marchak, 1985, p. 691). It is also a federal state featuring a constitutional division of powers between federal and provincial governments. The state in its provincial form is responsible for education and shares jurisdiction for economic and social development. Current educational developments in Canada and its provinces can be understood only if these various factors are incorporated into the analysis.

NOTES

¹ UNESCO (1987), *UNESCO statistical yearbook 1987*, Table 4-1, pp. 4-5 to 4-19.

² Data for 1975-1976: Statistics Canada (1983), *Decade of educational finance—1970-71 to 1979-80*, Table 1, pp. 14-35. Data for 1985-1986: Statistics Canada (1987), *Advance statistics of education. 1987-88*, Table 12, pp. 30-31. See also Decore and Pannu (1986), pp. 30-31.

³ Data for 1975-1976: Statistics Canada (1983), *Decade of educational finance—1970-71 to 1979-80*, Table 2, pp. 40-62. Data for 1985-1986: Statistics Canada (1987), *Advance statistics of education. 1987-88*, Table 12, pp. 30-31. See also Decore and Pannu (1986), pp. 31-32.

⁴ Resource revenues as a proportion of total government revenues fell from 79.3% in 1979-1980 to a low of 23.2% in 1986-1987. Calculated from data in Government of Alberta (1981), *Budget address 1981*, p. 47; and Government of Alberta (1988), *Budget address 1988*, p. 32.

- ⁵ For example, while educational expenditures as a proportion of total provincial expenditures have declined in the 1980s, expenditures on health have risen from 20.9% of total expenditures in 1982–1983 to 22.2% in 1987–1988. See Government of Alberta (1982), *Budget address 1982*, p. 61; and Government of Alberta (1988), *Budget address 1988*, p. 34.
- ⁶ The consumer price index is used as a deflator with 1981 the base year. Calculated from data in Government of Alberta (1982), *Budget address 1982*, p. 59; and Government of Alberta (1988), *Budget address 1988*, p. 32.
- ⁷ Data for 1970–1971 and 1975–1976: Statistics Canada (1983), *Decade of educational finance—1970–71 to 1979–80*, Table 2, pp. 40–62. Data for 1980–1981: Statistics Canada (1987), *Financial statistics of education—1982–83*, Table 4, pp. 24–25. Data for 1986–1987: Statistics Canada (1987), *Advance statistics of education. 1987–88*, Table 12, pp. 30–31.
- ⁸ Enrolment data for 1970–1971: calculated from Statistics Canada (1983), *Decade of educational finance—1970–71 to 1979–80*, Table 5, pp. 126–151 and Table 8, pp. 212–233. Data for 1986–1987: calculated from Statistics Canada (1987), *Advance statistics of education. 1987–88*, Table 4, p. 21; Table 6, p. 23; and Tables 8 and 9, pp. 25–26.
- ⁹ The consumer price index is used as a deflator with 1981 the base year. Data for 1970–1971: calculated from Statistics Canada (1983), *Decade of educational finance—1970–71 to 1979–80*, Table 5, pp. 126–151. Data for 1980–1981 to 1982–1983: calculated from Statistics Canada (1987), *Financial statistics of education—1982–83*, Table 12, pp. 52–55. Data for 1983–1984 to 1987–1988: calculated from Statistics Canada (1986), *Advance statistics of education—1986–87*, Table 4, p. 21, and Table 6, p. 23; and Statistics Canada (1987), *Advance statistics of education—1987–88*, Table 4, p. 21; Table 6, p. 23; and Table 11, pp. 28–29.
- ¹⁰ Data for 1970–1971 and 1975–1976: Statistics Canada (1983), *Decade of educational finance—1970–71 to 1979–80*, Table 4, pp. 100–125. Data for 1980–1981 and 1981–1982: Statistics Canada (1983), *Financial statistics of education—1980–81*, Table 5, pp. 36–37; Statistics Canada (1984), *Financial statistics of education—1981–82*, Table 5, pp. 36–37. Data for 1982–1983 to 1984–1985: Statistics Canada (1985), *Education Statistics Bulletin*, 6(8), Table 1, pp. 3–8.
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¹³ Ibid.

¹⁴ An account of the facts and issues of the case is found in Saint John's *Edmonton Report* (1978, January 30), pp. 27–30 and (1978, February 13), pp. 30–34, and in J. J. Bergen (1978), "A Decision That Shook Education in Alberta," *Challenge (The CSA Bulletin)*, 18(1), 32–42. There has been a good deal of discussion of the pro's and con's of the case; see for example, J. W. Chalmers (1980), "Post-mortem on Public Schools," *The ATA Magazine*, 60(3), 2–4, and J. J. Bergen (1982), "The Private School Movement in Alberta," *Alberta Journal of Educational Research*, 28, 315–336.

¹⁵ Data for 1980–1981: Statistics Canada (1986), *Educational Statistics Bulletin*, 8(7), pp. 3–4. Data for 1985–1986: calculated from Statistics Canada (1987), *Advance statistics of education—1987–88*, Table 4, p. 21 and Table 6, p. 23.

¹⁶ The consumer price index is used as a deflator with 1981 the base year. Data for 1975–1976: calculated from Statistics Canada (1983), *Decade of educational finance—1970–71 to 1979–80*, Table 4, pp. 120–121. Data for 1980–1981 and 1984–1985: calculated from Statistics Canada (1986), *Educational Statistics Bulletin*, 8(7), pp. 3–4.

¹⁷ Calculated from: Statistics Canada (1986), *Educational Statistics Bulletin*, 8(7), pp. 3–4.

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Appendix

The tables included in the Appendix are provided for the reader's convenience. The data involve additional calculations by the authors and are not available in the original sources.

TABLE 1
Elementary-Secondary Enrolments and Per Pupil Expenditures, Alberta, 1970-71 to 1987-88

Year	Enrolment	Expenditure/student	
		current\$	constant\$
1970-71	424,954	853	2080
1975-76	430,700	1636	2797
1980-81	422,370	3154	3548
1981-82	425,011		3799
1982-83	428,865	4038	3644
1983-84	433,616	4359	3719
1984-85 ^f	432,642	4568	3735
1985-86 ^f	433,642	4863	3823
1986-87 ^f	435,980	5078	3835
1987-88 ^{fp}	438,275	5073	3671

^c The consumer price index is used as a deflator with 1981 the base year.

^f Adjusted for kindergarten enrolment in accordance with data for preceeding years.

^p Preliminary data.

SOURCES: Data for 1970-71 and 1975-76 from Statistics Canada: *Decade of Education Finance—1970-71 to 1979-80*, Table 5, pp. 126-151, 1983.

Data for 1981-82 to 1982-83 from Statistics Canada: *Financial Statistics of Education—1982-83* Table 12, pp. 52-55, 1987.

Data for 1983-84 to 1987-88 calculated from *Advance Statistics of Education—1986-87 and 1987-88*, Table 4, p. 21, Table 6, p. 23, 1986; Table 4, p. 21, Table 6, p. 23, and Table 11, pp. 28-29, 1987.

TABLE 2
*Percentage Shares of Direct^d Government Expenditures on
 Elementary-Secondary Education, Alberta, 1970-71 to 1984-85*

Year	Percentage share		
	Fed.	Prov.	Mun.
1970-71	4.8	55.8	36.3
1975-76	4.3	68.7	24.1
1980-81	4.1	60.9	32.4
1981-82	3.7	59.2	33.5
1982-83 ^p	3.7	57.6	34.2
1983-84 ^e	3.7	58.1	33.9
1984-85 ^e	3.5	57.0	34.7

^d Direct shares are those directly expended by a particular government. The Federal share includes expenditures for native education, and defense schools, but excludes minority language programs. Includes operating and capital expenditures.

^p Preliminary data.

^e Estimated data.

SOURCES: Data for 1970-71 and 1975-76 from Statistics Canada: *Decade of Education Finance - 1970-71 to 1979-80*, Table 4, pp. 100-121, 1983.

Data for 1980-81 to 1981-82 from Statistics Canada: *Financial Statistics of Education—1980-81 and 1981-82*. Table 5, pp. 36-37, 1983 and 1984.

Data for 1982-83 to 1984-85 from Statistics Canada: *Education Statistics Bulletin*. Vol. 6, No. 8, Table 1, pp. 3-8, 1985.

TABLE 3
*University Full-Time Equivalent^f Enrolments and Expenditure^a Per Student,
 Alberta, 1970-71 to 1987-88*

Year	Enrolment	Expenditure/student	
		current\$	constant ^c \$
1970-71	31,577	3176	7746
1975-76	34,696	4702	8038
1980-81	34,850	8177	9130
1981-82	37,276		8875
1982-83	41,194	9426	8507
1983-84	44,583	9517	8119
1984-85	46,126	9646	7887
1985-86	47,709	9936	7811
1986-87	49,053	9818 ^c	7415 ^c
1987-88	50,261	9124 ^c	6602 ^c

^f Full-time equivalents calculated on the basis of 3.5 part-time students equivalent to one full-time student.

^a Operating expenditures excluding sponsored research.

^c The consumer price index is used as a deflator with 1981 the base year.

^p Preliminary data.

SOURCES: Data for 1970-71 and 1975-76 from Statistics Canada: *Decade of Education Finance - 1970-71 to 1979-80*, Table 8, pp. 212-233, 1983.

Enrolment data for 1980-81 and 1981-82 from Statistics Canada: *Education in Canada - 1983*, Table 22, pp. 106-107, 1984.

Enrolment data for 1982-83 to 1987-88 from Statistics Canada: *Advance Statistics of Education - 1984-85, 1985-86, 1986-87 and 1987-88*, Table 8, p. 30; 1985, Tables 8-9, pp. 25-26, 1987.

Financial data for 1980-81 and 1985-86 from Statistics Canada: *University Finance Trend Analysis, 1976-7 to 1985-86*, Table B10, p.55, 1987.

Financial data for 1986-87 and 1987-88 estimated from Statistics Canada: *Advance Statistics of Education - 1986-87*, Table 11, pp. 28-29, 1987.

TABLE 4
Private Elementary-Secondary Schools, Alberta, 1970-71 to 1985-86

<i>Year</i>	<i>Enrolment</i>	<i>Provincial grants</i>	<i>Expenditure/pupil^c</i>
1970-71	5,688	1,437,000	
1975-76	5,651	2,513,000	
1980-81	6,348	8,099,000	
1981-82	8,256	9,000,000	2203
1982-83	10,063	9,691,000	2649
1983-84	11,126	9,950,000	3096
1984-85 ^a	12,000	12,190,000	2909
1985-86 ^a	12,626		
1986-87 ^a	13,130		
1987-88 ^{ac}	13,600		

^c Constant 1981 dollars.

^a Adjusted for kindergarten enrolment in accordance with data for preceding years.

^c Estimated.

SOURCES: Data for 1970-71 and 1975-76 from Statistics Canada: *Decade of Education Finance*, Table 4, pp. 120-121, 1983.

Data for 1980-81 to 1984-85 from Statistics Canada: *Education Statistics Bulletin*, Vol. 8, No. 7, p. 3-4, Dec., 1986.

Data for enrolment 1985-86 to 1987-88 calculated from Statistics Canada: *Advance Statistics of Education - 1987-88*, Table 4, p. 21, and Table 6, p. 23, 1987.

TABLE 5
Private Vocational Schools, Alberta, 1970-71 to 1985-86

<i>Year</i>	<i>Enrolment</i>	<i>Schools</i>
1969-70	2026	42
1972-73	1457	37
1980-81	1699 (places)	101
1981-82	11,000	111
1982-83	15,000	
1983-84	20,000	
1984-85	22,000	113
1985-86	28,000	113

SOURCES: Data for 1969-70 and 1972-73 from Statistics Canada: *Vocational and Technical Training 1970-71 and 1972-73*, Tables 20 and 21, p. 154, 1973; and Table 18, p. 75, 1976.

Data for 1980-81 to 1985-86 from Alberta Education: *Annual Reports, 1980-81 to 1985-86*, p. 27, 1981; p. 28, 1982; p. 28, 1983; p. 21, 1984; p. 3, 1985; p. 3, 1986.