

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
5TH COUNCIL, 32ND SESSION**

**RECOMMENDATION TO COUNCIL
NO.11-32**

TABLED ON JANUARY 25, 1966



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Council.

NORTHWEST TERRITORIES

RECOMMENDATION TO COUNCIL NO. 11
(First Session, 1966)

MATTERS RELATED TO EDUCATION
IN SCHOOL DISTRICTS

DISPOSITION

Accepted as Read

Amended..... See Text

Rejected..... See Text

Deferred..... See Text

Not Considered.

MATTERS RELATED TO EDUCATION IN SCHOOL DISTRICTS

At the June, 1965 Session in Yellowknife, a brief was submitted by the Yellowknife School District No. 1 and the Yellowknife Roman Catholic School District No. 2, dated June 25, 1965 (Appendix "A").

Before dealing with the Brief, Council may wish to recall that these two Yellowknife Boards, joined by the Hay River Roman Catholic School District No. 3, addressed a previous Brief to the Commissioner. Resulting recommendations were considered by Council in February 1965 when the following action was decided:-

1. Grants for Teacher Accommodation

An additional operating grant of \$15 per pupil of enrolment in each district was approved to help the school districts subsidize teacher accommodation.

This resulted in an increase in operating grants of \$12,915 for the year 1965-66 for the three school districts.

2. Revised Basis for Calculating Operating Grants

Operating grants of \$210 per pupil in elementary grades and \$285 per pupil in secondary grades were established in the 1962-67 Federal-Territorial Financial Agreement. Whereas the grants had formerly been based on per pupil of average attendance, Council agreed to a calculation based on enrolment. This action had the effect of increasing the operating grants to the three districts for the year 1965-66 by \$4,078.35.

3. Grants on Current Capital Expenditures

Capital projects financed from current funds were previously not eligible for grants. Council agreed that approved items in this category be made subject to a 50% grant. To date this year, school districts have received approval for grants on current capital expenditure totalling \$7,152.45.

The grant revisions adopted at the January 1965 session have made available to school districts an estimated additional \$16,993.35 of operating grants, and an estimated \$7,152.45 of current capital grants or total additional grants of \$24,145.80 during the current school year (1965-66). This is equivalent to an increase in grants of approximately 12.5% over what would have been received under the previous grant schedule.

Turning to the current Brief, the Commissioner proposes to answer in accordance with the following comments on points the document makes.

1. Notification of impending Council discussions on education and authority to assist Council in deliberations.

Answer: The Commissioner is glad to know of the readiness of school boards to aid in the solution of education problems and will notify them of any occasion when they could usefully collaborate.

2. Copies of Debates, Votes and Proceedings be made available to school districts before release to the public.

Answer: Debates, Votes and Proceedings are public the instant they are uttered in Council. The promptness with which printed copies are available is receiving the Commissioner's best attention.

3. Having a directive concerning routing of by-laws and other Ordinance business for the Commissioner's attention.

Answer: The Commissioner will do his best to improve efficiency in the conduct of public business. Every short cut that is useful will be taken. Speaking generally, however, the proper use of local, regional and district authorities, where appropriate, speeds our work.

4. Operating Grant - pay in October in current year enrolment. Current practice is to calculate the operating grant on the larger of (a) the reported pupil enrolment on September 30 of the preceding school year, or (b) the reported pupil enrolment on March 31 of the preceding school year. These enrolment figures are used because they are the most recent ones available when final payment of the operating grant is made in July or August at the beginning of the current grant year.

The school districts claim that this basis of calculation, in fact, reduces the operating grant over what it would be if the enrolment figures for the grant year were used. Table "A" below indicates that the overall enrolment in the school districts increased each year during the past four years. During this period, each district experienced both gains and losses in enrolment over the previous year but gains were comparatively large, while losses were small.

Table "A" September Enrolment (1961-1965) of School Districts in the N.W.T. and Percentage Increase or Decrease over Enrolment of Previous Year

Years	Yellowknife School District No. 1	Percentage Increase or Decrease	Yellowknife R.C. Separate School District No. 2	Percentage Increase or Decrease	Hay River R.C. Separate School District No. 3	Percentage Increase or Decrease	Total Enrolment	Overall % Enrol-Increase per Year
1965-6	434	-1.1%	315	+9.4%	201	+16.9%	950	+5.7%
1964-5	439	-1.3%	288	+16.6%	172	-2.8%	899	+3.5%
1963-4	445	+9.9%	247	+13.8%	177	-1.7%	869	+8.4%
1962-3	405	+6.9%	217	-4.8%	180		802	*+2.5%
1961-2	379		228				607	

* Includes only Yellowknife Public School District No. 1 and Yellowknife Roman Catholic School District No. 2.

If the desired basis of calculation had been in effect in the current year, it would have resulted in a slightly reduced operating grant for Yellowknife Public School District No. 1 and much higher grants for Yellowknife Roman Catholic School District No. 2 and Hay River Roman Catholic School District No. 3.

Table "B" below estimates the actual effect the calculation of grants on the suggested basis would have had in the years 1961-62 to 1965-66.

Table "B" Estimated Operating Grants (1961-2 to 1964-5) Based on Enrolment of Current School Years Showing Increase or Decrease over Grant Calculated on September 30 Enrolment of Previous Year

Years	Yellowknife P.S.D. #1		Yellowknife R.C. S.D. #2		Hay River R.C.S.D. #3		Total of Grant	Amount of Yearly Increase or Decrease
	Grant	Amount Increase or Decrease	Grant	Amount Increase or Decrease	Grant	Amount Increase or Decrease		
1965-6	\$99,390	-\$ 150	\$72,075	+\$6,185	\$45,060	+\$5,715	\$216,525	+\$11,750
1964-5	99,540	- 1,185	65,880	+ 9,885	39,345	- 1,725	204,765	+ 6,975
1963-4	100,725	+ 8,850	55,995	+ 5,925	41,070	-630	197,790	+ 14,145
1962-3	91,875	+ 5,385	50,070	- 2,310	41,700		183,645	+*12,075
1961-2	86,490		52,380					

* Includes only Yellowknife Public School District No. 1 and Yellowknife Roman Catholic School District No. 2.

If the proposed revision is made effective for the current school year, an estimated additional \$12,000 would be required to adjust the operating grants already paid for 1965-66.

The future effect of adopting the suggested basis for calculating operating grants can be estimated for only the one remaining year during which the five-year Federal-Territorial Financial Agreement is in effect. There is no way of determining on what basis future operating grants may be established in a new Federal-Territorial Financial Agreement. If past school population trends continue, adoption of this revised method of calculation would result in an estimated increase of \$13,000 in operating grants to the school districts in 1966-67. Such an increased grant would contribute a substantial amount of additional financial assistance to those school districts encountering the greatest enrolment growth.

Recommendation - The Commissioner recommends a new grant payment procedure as follows: an interim payment of the estimated grant for the year be made in August and final payment to adjust the grant to the actual enrolment be made after March of the subsequent calendar year.

5. Pension Plan for Teachers

A disparity exists between pension plan arrangements for teachers of Federal schools in the N.W.T., operated by the Department of Northern Affairs and National Resources and those employed by the three school districts. The Federal teachers come under the provisions of the Federal Public Service Superannuation Act, whereas no pension arrangements are made for school district teachers. Since the Federal Government matches the teachers contributions to the

Superannuation Fund (5% of salary for female teachers and 6 1/2% for male teachers), the Federal teachers receive more favourable conditions of employment in this respect than their counterparts in the school districts. The Provinces provide similar assistance in superannuation for their teachers. This disparity which places the school districts at a disadvantage in attracting and retaining competent teaching staffs has caused concern for some time.

The decision to set up a Territorial Civil Service has opened the door to a practical solution of the problem and progress is being made towards enabling school district teachers to come under the Public Service Superannuation Act. The Department of Finance is now having a Bill drafted to amend the Public Service Superannuation Act to permit inclusion under the Act of all Territorial employees and teachers employed by school districts in the Northwest Territories.

When the Act is amended, the Territorial Government could arrange to provide pension benefits for school district teachers equal to those provided for teachers employed by the Federal Government. The administration of the fund would require the payment into the fund to be made by one agency, i.e., the Territorial Government. Although the Federal Superannuation Fund will not accept separate contributions by individual teachers and school districts, a simple procedure for collecting the employers' contribution could be worked out. Teachers' contributions could be collected by means of salary deduction by the school districts. This amount could be reclaimed from the school districts by means of a deduction from the operating grant by the Territorial Government to the school districts. As a means of simplifying the method of providing the employers' matching contribution and to encourage the adoption of this type of pension plan for school district teachers, the Territorial Government could bear the cost of the matching contribution. This is a very effective way in which the Territorial Government can assist both the school districts and their teachers. This practice, if adopted, would also serve the worthwhile objective of bringing conditions of employment of school district teachers more into line with those provided by the Provincial and Federal Governments.

Using an average rate of 6% for employer and employee contributions, which is probably higher than the actual average, the estimated superannuation contribution by teachers and the employer in each school district during the 1964-65 school year would have been as follows:

Table "C" Estimated Superannuation Contributions (1964-65) Required for Public Service Superannuation Fund

	<u>Teachers' Salaries</u>	<u>Estimated Teachers' Contribution</u>	<u>Estimated Employer Contribution</u>
Yellowknife P.S.D. #1	\$ 127,425	\$ 7,645.50	\$ 7,645.50
" R.C.S.D.#2	65,903	3,954.18	3,954.18
Hay River R.C.S.D.#3	<u>40,814</u>	<u>2,448.84</u>	<u>2,448.84</u>
Totals -	\$ 234,142	\$14,048.52	\$14,048.52

A reasonable estimate of the amount of the employee (teacher) contribution for the next school year would be approximately \$9,000 and this would also represent the amount the Territorial Government would be required to contribute as the employers' share for the period January 1, 1966 to June 1966. In the following school year, 1966-67, the contribution would be approximately \$15,000.

Recommendation - The Commissioner recommends that the Territorial Government declare its intention to provide the employers' share of the contribution to the Public Service Superannuation Fund for teachers employed by school districts in the Northwest Territories provided the school districts and teachers accept the arrangement and the school districts agree to act as collecting agents for the teachers' contributions by means of a salary deduction plan. The arrangement, if acceptable, could be made effective as of January 1, 1966, provided the amendment to the Public Service Superannuation Act is passed, and is retroactive to that date. It is expected this will be the case.

6. Yellowknife School Bus

During the current school year, children living beyond three-quarters of a mile from their school in Yellowknife and beyond one-half mile in Hay River receive bus transportation to and from school. In Yellowknife, 264 children are carried, and in Hay River 104 children receive this service. The cost is \$20,000 per year to the two school boards in Yellowknife, divided on a ratio of 62 1/2 per cent for the Public School Board and 37 1/2 per cent for the Separate School Board for the service now being provided. School bus transportation costs the Hay River Roman Catholic Separate School District \$588 per month or \$5,880 per year. An additional \$882 per month is paid to provide bus service for the children attending the Federal School. The total yearly cost of this item to the school districts for the current year is \$25,880. The school district submission proposes that the school bus operation in Yellowknife be subsidized by the Territorial Government in its entirety as it is purported to be in Hay River and Fort Smith. In Hay River, the Separate School District, however, assumes the cost of pupils who attend that separate school there. In Fort Smith, no school district is in existence; therefore bus service must be provided by the Department of Northern Affairs and National Resources. As pointed out in the Submission, the mines no longer subsidize the buses as they once did because they are major tax payers.

In southern Canada, school bus transportation is not normally provided for children living in urban communities. In some larger cities, however, handicapped children or children attending other types of special classes may be transported to school by bus or their parents may be given financial assistance in part or in whole related to the special transportation needs of their children. In rural areas, where central or consolidated schools have been established, bus service is provided for children living beyond normal walking distance. The maximum distance a child is required to walk varies from Province to Province and sometimes within Provinces, with an approximate average distance of at least two miles being required before bus service is provided. In Alberta and Saskatchewan, where winter conditions are almost comparable with the N.W.T., the prescribed maximum distance for walking is 1 1/2 miles. Provision and arrangement of bus services for schools is a normal responsibility for school districts to assume.

In the Provinces, school expenditure on bus transportation outside of urban areas usually qualifies for assistance in the form of Provincial grants. Grants would not be payable for children living within walking distance of school, that is, in Alberta and Saskatchewan, within 1 1/2 miles. In the Provinces, much control is retained by the Provincial Department of Education, and transportation agreements must be approved by the Province before grants are made. Complex rate structures, based on per pupil mile costs, are built up on the basis of average cost experience, and grants are based on a proportion of these costs. Where school districts own and operate

buses, grants for purchasing and operating the buses are paid. Such grant systems require a complex administrative organization. In the Territories, the operating grant is intended to include all aspects of school operation, including school buses. Since our districts are all in urban areas of limited extent (not exceeding five miles in length and breadth - School Ordinance), the need for transportation is less pronounced than in rural centralized school districts; however, the severity of the winter climate in the North reduces the distance a child can be expected to walk to school in the winter. The seasonal aspect of transportation need poses a special problem for administering a grant for this item.

The principle on which our grant scheme is based is that the responsibilities of school districts should not be prescribed by having grants related to and specified for all individual types of expenditures.

Other recommendations in this paper provide additional financial assistance related to operating costs less restrictive than an outright subsidy for school bus transportation. Such additional grants would indirectly assist school districts to provide the funds for needed transportation.

Recommendation - The Commissioner intends to leave the financial responsibility for school bus service with the school districts for the present time, and arrange that a study be made of school bus transportation problems in the school districts, generally.

7. Special Grants

As indicated above, the philosophy of administration of grants to school districts in the N.W.T. does not favour making numerous conditional grants related to special school district needs. Not only do conditional grants erode the basic responsibility and power of a school board, but they also involve relatively costly and confusing administrative devices to ensure the proper use of the grants. The four special types of grants requested in the Submission: (a) School books and supplies to Welfare, Indian and Social Assistance pupils, (b) School lunch programs, (c) Differentiated and remedial teaching programs, and (d) Treatment of age-grade retardation, inadequacy and delinquency, concern highly specialized areas of instruction and would require the development and application of criteria upon which grants might be based. The actual costs of such programs in relation to overall expenditures for the number of special cases in three school districts do not recommend a system of conditional grants for such items at the present time. While it is true that some Provinces do relate grants to special needs such as the above, these are often residual, or may be justified on the basis of the large number of school districts that are administered. In the Territories, a simpler and more direct solution can be found.

The primary need in the Territories is to establish a satisfactory per pupil operating grant that will allow the school districts to provide the needed educational services at a cost to their tax payers comparable with that of costs elsewhere for similar Canadian communities. The adoption of a \$15 grant per pupil to assist school boards provides for the additional costs of teacher accommodation in the North, adopted at the January, 1965 Session, had the effect of increasing the per pupil operating grants to school districts by \$15 per year. On the capital side, the inclusion of capital expenditures from current account increased capital grants in proportion to needed expenditures.

In general, the programs referred to above are basically sound and their inclusion in the schools is not questioned. Assistance of an indirect nature related to one of the programs, however, (a) the provision of books and supplies, could be treated in a similar way to assist the school districts indirectly and provide a service that is now provided in the Federal schools in the North. A good case can be made for inclusion in per pupil costs of text books and school supplies provided to all pupils without regard to need. Pupils in the school districts now must purchase or rent their books, whereas pupils in Federal schools have them provided free.

If books and supplies were provided free only to "Welfare, Indian and Social Assistance pupils" as the Submission requests, these pupils would be marked off from the main student body. Where such plans were tried in other school systems, they have proven impracticable and have been abandoned in favour of the provision of free books and supplies to the whole student body. Practice in this regard varies from Province to Province, but the trend is towards free instructional books and supplies.

If school districts provide books and supplies, considerable economies result from mass purchase. Other savings result from the longer and more effective use of the books which are owned by the school and loaned to pupils. Educational advantages outweigh the economic ones, particularly in respect to pupils whose need is greatest. By removing the cost of books and supplies from the parent, the residents receive indirect assistance, but if the school district bears the cost of this service, the cost is merely transferred to local taxes. The Federal schools allow \$6 per pupil (elementary grades) and \$10 per pupil (secondary grades) per annum for books. If a comparable allowance were given to the school districts as an addition to their operating grant, it would cost the Territorial Government approximately \$6,600 for the school year 1965-66.

Recommendation - The Commissioner recommends that a grant of \$6 per pupil (elementary grades) and \$10 per pupil (secondary grades) per annum be paid to school districts effective July 1, 1965, to enable them to supply free text books to pupils in their schools commencing September 1966. The effective date of the grant is one school year in advance of the required provision of free books and supplies in order to provide funds for purchase of the books for the first year when costs will be highest.

8. Capital Grants

New schools have been built in all three school districts in the past five years with the result that each district has capital debt payments to meet each year. The Territorial Government makes a capital grant of 50% of the approved costs of schools in the school districts at the time of construction and loans, on low interest debentures, to the districts the remaining 50% of the cost of the new facilities.

Hay River Roman Catholic School District No.3 constructed its school in 1962. It received \$158,346 in grants and financed the balance by assistance from the Roman Catholic Episcopal Corporation of the Mackenzie with no specific repayment terms other than relating to the sale of the assets.

Yellowknife Roman Catholic School District No.2 built St. Patrick's High School in 1961 and rebuilt it after the original structure was destroyed by fire in 1964. It received \$138,075 in grants and issued debentures for a total of \$140,000 to cover the costs. In 1962, it financed teacher housing with grant assistance in an amount of \$50,000. It now has three debentures outstanding for varying terms with annual payments of approximately \$20,000. Yellowknife

Public School District No. 1 received \$120,305 in capital grants and issued debentures for \$128,500 in 1960 and 1961. It completed its new primary school in 1965 at a total cost of \$380,000. It received \$190,000 in grants and issued debentures for \$190,000.

The total school district capital debt outstanding as of June 30, 1965, was \$205,767. An additional \$190,000 of debentures was being issued by Yellowknife Public School District No. 1, bringing the total capital liabilities of the school districts to \$395,767. This is equivalent to approximately 7% of the total real property assessment of the districts.

Yellowknife Roman Catholic School District No. 2 is now planning to build a new school to replace the existing elementary school and to provide additional facilities to accommodate future school population growth. The existing school must be replaced because of structural problems caused by settling of the foundation which has rendered it unsafe. A two stage construction program is under consideration with the first stage to be undertaken as soon as possible to provide seven classrooms and a library at an estimated cost of \$280,000. The second stage would not be undertaken before the end of the current five-year Federal-Territorial Financial Agreement.

The Territorial Government has the power to set the grant rate for capital projects as well as for operations. The funds available for this purpose, however, are made available under the terms of the five-year Federal-Territorial Financial Agreement. Since the current agreement was based on a 50% grant, there would be no funds provided under the Financial Agreement to meet the additional grants required if the grant rate were increased to 75% as requested in the Submission.

There is little likelihood that the Federal Government would be responsive to a request for direct Federal assistance to school districts as is suggested in the Submission because such action would be contrary to the fundamental principles of Federal-Provincial and Federal-Territorial relations. Financial assistance from the Federal Government is made to the Provincial Government or the Territorial Government, and not to the school districts within Provincial or Territorial jurisdictions.

The Commissioner has asked the Federal Government to lend additional funds to the Territorial Government to permit it to increase the amount of its capital grant to school districts for school construction to 75% of approved costs. Until this request has been dealt with, the Territorial Government is not in a financial position to increase the amount of its capital grant.

It must also be recognized that any increase granted at this time would place some school districts in a more favoured position than others. School districts which undertook capital projects prior to the present time have received 50% of approved costs while projects that might be undertaken subsequent to institution of a revised grant rate would enjoy a 75% rate. Since debentures contracted under the former arrangement are still being paid off, it can be expected that those school districts would press for an adjustment to their outstanding debts. In fairness to the rate-payers in all school districts, an adjustment equal to 50% of the outstanding principal amount of debentures for schools should be made if the increased rate is adopted. The estimated additional cost of a rate increase would be \$70,000 for the new school for Yellowknife Roman Catholic Separate School District. If an adjustment to outstanding debentures is included, an additional \$197,884 for the other two school districts would also be required.

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Another aspect inherent in any increase in the amount of the capital grant is that the amount of the government equity in any property sold or disposed of by a school district must be adjusted in a like proportion.

Recommendation - The Commissioner recommends that, subject to Federal Government action to make funds available to the Territorial Government, the capital grant rate be increased to 75% of approved capital costs and that the outstanding debenture debts of the school districts be adjusted by an amount equal to 50% of the outstanding principal amount as of June 30, 1965, of capital debentures issued during the currency of the present Federal-Territorial Agreement (1962-67).

9. Income Tax Deduction for Property Taxes

The matter of income tax deduction comes under the jurisdiction of the Department of National Revenue. The proposal that municipal taxes be made a deductible item has been made at various times by different Canadian agencies. Whether the Territorial Government should make such a submission is questionable. This is a matter of broad national significance which has many facets and cannot be considered in the present setting.

10. Operating Grant Increase

Thorough consideration of the whole question of operating grants to school districts in the N.W.T. will be given when negotiating the terms of the 1967-72 Federal-Territorial Financial Agreement.

The Submission refers to the advantages of the Alberta grants system over the present Territorial grants. In general, Alberta operates what is called, a Foundation System. Under this system, a flat 32 mill education tax is levied on the basis of a Provincial equalized assessment on all property in the Province. The taxes so raised are paid into a Foundation Fund. School districts receive operating and capital monies from this fund in an amount needed to provide for a basic or foundation program which is specified by the Provincial Government. If a school district wishes a program or a facility in excess of that specified, it may levy a supplementary tax on property in the school district to pay for it.

It would not be possible, without detailed study, to determine exactly what effect such a system would have on current financial arrangements for school districts in the N.W.T., and certainly the 50% advantage quoted in the Submission appears to be too high. The main advantages of this system are that it equalizes the education tax throughout the Province and guarantees a basic program to children in every school district, regardless of the financial resources of the district. It also permits districts to provide and pay for additional special services which local residents may desire. The system would require more complex administrative arrangements than are now available in the N.W.T. and would impose more controls on financing in school districts than are now considered practical.

Recommendation - The Commissioner intends to ask the Federal-Territorial Financial Committee to give close study to Provincial grant systems and particularly to that of Alberta when it considers the terms for the next five-year Federal-Territorial Financial Agreement.

11. Debenture Borrowing Limit

The Submission proposes that the long-term borrowing limit on municipal debenture debt be raised from 20% to 25% of the real property assessment in the municipality.

The ceiling on debenture debts has recently caused concern because the 20% limit at Yellowknife has almost been reached. This limitation could restrict the municipality from undertaking capital projects, including schools which are felt to be urgently needed. With reference to schools, the amount of debenture debt is very closely related to the grant rate, that is, the higher the capital grant, the lower the amount of debenture that is required. If the capital grant rate were increased, there would be less need for an increase in the 20% limit on account of school requirements.

Similar limits on capital debt are also imposed on municipalities in the Provinces for the purpose of ensuring municipal financial solvency. The legislative action, setting up such limitations, took place during the depression years as a direct result of the inability of many municipalities to meet their capital obligations at that time. As in the N.W.T., the limitations could be altered only by legislative action. Since this question involves all municipal functions and not just schools, it should be considered in its larger setting, taking into account the broad financial implications any alteration might have. Accordingly, this problem should not be dealt with in the context of school district financing alone, but rather as a problem of municipal financing which has many aspects not related to education to be considered.

Recommendation - The Commissioner intends to have the limits on municipal borrowing studied in relation to future municipal needs, including schools.

12. School Ordinance Clarification

The Submission requests clarification or an interpretation of Section 86 of the School Ordinance which will be consistent with Sections 82 and 87. A copy of the pertinent sections of the Ordinance is attached as Appendix "B".

The problem inherent in Sections 79 to 87 of the School Ordinance lies in the fact that municipal taxes for education are assigned to the desired school district by the owner of the land and not by the occupant. This leads to a conflict with Section 86 which requires the board of any school district to admit to its school, without charge, any child whose parent or lawful guardian is the owner or occupant of premises in respect of which school taxes are paid to the district.

The consequence is that the board of the school district can refuse to admit to school, the children of the occupant of land in its district, the taxes on which are being paid to another school district. The occupant would either have to send his child to the school of the district to which the taxes are paid, or pay fees to the school board of another district, in accordance with Section 87. This is contrary to the basic principles of free education, namely, that every child of a resident parent should be permitted to send his child to the school district of which he is a resident, without the payment of fees.

Either Section 80 should be amended to provide that the land be assessed to the school district of which the occupant and not the owner is a supporter, or Section 86 should be amended to ensure that the occupant has the statutory right to send his children to the school of any school district of which he is a resident.

Alberta requires that taxes be paid to the district supported by the owner of the land but permits the attendance without charge at any school by the children of any resident of the district. The relevant provisions in the Alberta School Act are as follows:

"314. No fees shall be charged by the board of a district or division for the attendance of a child whose parent or guardian is a resident of the district or division."

"287. Where a separate school district has been established, the religion of the owner of the property liable to assessment, whether Protestant or Roman Catholic, determines whether the property is assessable for public or separate school purposes."

"14. For the purposes of this Act, a person who is resident within the boundaries of a separate school district, if he is a separate school supporter, shall be deemed to be a resident of the separate school district and not a resident of the public school district, otherwise he shall be deemed to be a resident of the public school district and not a resident of the separate school district."

Recommendation - The Commissioner recommends that Section 86 be amended to make it clear that a child of any resident of a school district may attend the schools of that district without charge.

A SUBMISSION ON MATTERS RELATED TO EDUCATION FOR
CONSIDERATION BY TERRITORIAL COUNCIL - JUNE 25, 1965

The school districts of the Northwest Territories are pleased with the progress made in the correction of some flaws in the grant structures and the recognition of certain expenditures as grantable, during the past year. We also wish to thank Council for the commendable outlook they have taken on some of the submissions made in the past and the opportunity to present further observations and findings to you at this time.

We are certain the above changes would have taken place much earlier if the following requests were granted to us:

1. Notification of impending Council discussions on education be given well in advance to district schools so that authorized school representatives can attend and assist Council in deliberations.
2. Copies of all Debates, Votes and Proceedings concerning any aspect of education be supplied to the district schools immediately they are available and before public release so that school districts may comment or submit supplementary information at the earliest possible moment.
3. Having further regard to the lack of information being channelled to the Boards on Council discussions, a specific directive is required concerning the routing of by-laws and other ordinance business for the Commissioner's attention. Delays due to mailing through Fort Smith and possible misinterpretation there are to be deplored, especially where district school business is largely of an urgent nature and time is of the essence.

We would suggest also the following changes and corrections be considered by Council at the earliest possible moment:

OPERATING GRANT

A change was made recently in the payment of the operating grant, changing the basis of calculation from an attendance basis to an enrolment basis. This grant is paid in August for the current year, based on the prior year's enrolment. To correct this anomaly, it is suggested the operating grant be paid in October of the current year, based on September enrolment of the current year. If there is an increase, in the following March an adjustment can be applied; if there is a decrease, no action need be taken. Present practice works a hardship on school districts and actually effects an accumulating loss over the years on any school authority whose enrolment increases in a subsequent school year. Present practice also serves to reduce the government's share in the cost of education.

PENSION PLANS

The school districts in the Northwest Territories recognize that teachers moving to the Territories to work in district schools relinquish the service credits earned in Provinces if their stay in the Northwest Territories is a lengthy one. In order to continue to attract good teachers to the North for longer periods of time, the institution of a portable pension scheme, with service credits, etc., is desirable. To better assess cost to the districts, the financial assistance which can be expected from the government, on a properly approved plan, is required. It is hoped this plan can be instituted at the same time as the Canada Pension Plan comes into effect.

SCHOOL BUS

Until very recently, the school bus costs for transporting Yellowknife children were largely subsidized by the local mines. As the mines are also paying the lion's share of the balance of the bus cost through property taxes, this support has now been discontinued. It is recommended the Yellowknife school bus operation should be subsidized in its entirety, the same as in the Town of Hay River and the Village of Fort Smith.

SPECIAL GRANTS

Consideration should be given to special grants for special services performed by district schools with the option of applying for grants, if required. These would include:

- (a) School books and supplies to Welfare, Indian and Social Assistance pupils.
- (b) School lunch programs.
- (c) Differentiated and remedial teaching programs.
- (d) Treatment of age-grade retardation, inadequacy and delinquency.

GENERAL

The Boards' continuing study of education costs in general, and specifically in the Northwest Territories, brings forward the following observations and recommendations:

1. The nationwide rising cost of education requires immediate consideration of all possible avenues of financial assistance to school boards. It is strongly recommended that capital grants be extended from 50% to 75% of school construction costs, and that the federal government share directly in capital grants for academic plant as they have for vocational schools in the provinces. A second consideration, nationally suggested, is that municipal taxes paid by property owners become a deductible expense for federal income tax.
2. At the next federal-territorial financing agreement session, strong measures should be taken to increase the operating grant per pupil and bring it more in line with provincial practice. If territorial district schools were operating under the present Alberta grants system, about 50 per cent more financial assistance would be realized over that of the current territorial grant.
3. The long term borrowing limit of 20% of real property assessment in any municipality should be raised to a more realistic figure, at least 25%, now that school debentures are considered to form part of municipal borrowing. Needed classroom space in Yellowknife will become critical again as early as 1966. We refer you to the census review of June, 1964.

SCHOOL ORDINANCE

Section 86 of the School Ordinance reads as follows:

86. The Board of any district shall admit to its school without charge any child whose parent or lawful guardian is the owner or occupant of premises in respect of which school taxes are paid to the district, or in respect of which a corporation pays taxes under section 85.

The Boards would appreciate clarification, or an interpretation of this section which will be consistent with the provisions of sections 82 and 87.

It is anticipated Council will take the above observations and recommendations to be of the utmost importance in the continuation of local tax supported schools in the Northwest Territories and will appreciate their merits at the earliest possible time.

Respectfully submitted

Trustee Boards

Yellowknife School District No. 1
of the N.W.T.

(Sgd.) William Cole
Chairman of the Board

(Sgd.) R.C. Froment
Secretary-Treasurer

Yellowknife Roman Catholic Separate
School District No. 2 of the N.W.T.

(Sgd.) Norman W. Byrne
Chairman of the Board

(Sgd.) George D. Curley
Secretary-Treasurer

EDUCATION ORDINANCE

Application to
ss. 80 to 85.

79. Sections 80 to 85 apply in cases where separate school districts have been established.

Owner
assessed.

80. Where land is owned by a Protestant and occupied by a Roman Catholic or vice versa, such land shall be assessed to the owner.

Assessment
of joint
tenants.

81. Whenever property is held by two or more persons as joint tenants or tenants in common, the holders of such property being Protestants and Roman Catholics, they shall be assessed in proportion to their interest in the property in the district to which they respectively are ratepayers.

Liability
for taxes.

82. (1) Ratepayers of the same religious faith as the minority which establish a separate school shall pay their taxes to the separate school and other ratepayers shall pay their taxes to the public school.

Entry in
assessment
roll.

(2) Any person may file with an assessor a written statement that he is a supporter of the public school or the separate school as the case may be and the assessor shall enter opposite the name of such person in the assessment roll the letter "P" or "S" as the case may be, and in the absence of any such statement, the assessor shall make such entries in accordance with his knowledge and information.

Assessment of
corporations.

83. A corporation, the whole of whose shareholders are Roman Catholic or Protestant, may file a statement to that effect with an assessor verified by a statutory declaration of the president, vice-president or secretary of the corporation or of some person having the management of its affairs in the Territories who can testify to the facts, and in such case the school taxes payable by the corporation shall be levied and collected wholly for the public school or the separate school as the case may be.

Statements
to be filed.

84. (1) Every statement filed under one of the two preceding sections shall be taken as continuing and in force and be acted upon until the same is withdrawn, varied or cancelled by a statement subsequently filed.

(2) Every statement filed under one of the two preceding sections shall be kept by the assessor in his office and shall during his office hours be open to inspection and examination by any person entitled to examine or inspect the assessment roll, and the assessor shall each year before the completion and return of the assessment roll search for and examine all statements which may be on file in his office and shall conform thereto in making his assessment.

Division of
corporation
taxes.

85. (1) Unless a statement has been filed under section 83, the school taxes payable by a corporation shall be divided between the public school district and the separate school district in shares corresponding with the total assessed value of assessable property assessed to persons other than corporations for public school purposes and the total assessed value of assessable property assessed to persons other than corporations for separate school purposes respectively.

(2) The whole of the assessable property of such corporations shall be assessed upon the assessment roll for the public school district and all taxes levied shall be collected as taxes payable for the public school district, and when so collected such taxes shall be divided between the public school district and the separate school district in the proportions mentioned in subsection (1).

SCHOOL FEES

Children of
Taxpayers.

86. The board of any district shall admit to its school without charge any child whose parent or lawful guardian is the owner or occupant of premises in respect of which school taxes are paid to the district, or in respect of which a corporation pays school taxes under section 85.

Other
children.

87. (1) A parent or lawful guardian other than one mentioned in section 86 may apply to the board of the district for the admission to the district school of a child of which he is parent or guardian.

Application
for admission.

(2) Such application may be made by the board of another school district for such admission of all the children in any grade or grades for whose education it is responsible.

Sufficiency of
accommodation.

(3) The board to which application is made may require a written statement from the inspector that the accommodation of its school is sufficient for the admission of such child or children, and upon receipt of such application and statement shall admit such child or children during the academic year.

(4) The parent or guardian or the school board making such application shall pay fees for each such child so admitted as provided by the board to which such application is made, but such fees shall not exceed the average cost per pupil during the last preceding academic year of the maintenance of the school to which such child is admitted.

Method of
computing
cost per
pupil.

(5) For the purpose of computing the average cost per pupil all grants of the preceding year shall be deducted from the gross cost of maintaining the school during such year.

(6) Where fees are payable under this section by a school board the maximum fees which may be charged shall be calculated as in subsection (5), except that the amount of grants shall not be deducted from gross cost, and the board of the school to which such children are admitted shall not receive any grant in respect of them.