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ABSTRACT

This paper addresses concerns with equity in education financing in Alberta, Canada. It describes the major issues involved in funding education and proposes alternative ways of addressing them. The issues are the following: (1) every student should have access to an education which meets his/her needs, but the costs of this education varies widely across the province; (2) there are significant inequities in the level of taxes paid by residential and non-residential taxpayers; and (3) school boards are increasingly dependent on local revenues and some do not want this local taxing power eroded. In addition to these issues there are five principles of education funding contained in Alberta's New School Act which must be considered in any new school finance plan. They are the following: (1) access to quality education; (2) equity; (3) flexibility; (4) responsiveness; and (5) accountability. Five new funding options are proposed in consideration of the issues and principles. Their advantages and disadvantages are presented. Statistical data are included in two appendices. (VM)

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EQUITY IN EDUCATION FINANCING

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October 13, 1987



INTRODUCTION

The new School Act introduced by the Government of Alberta during the 1987 Spring Session of the Legislative Assembly is founded on five principles: access to quality education, equity, flexibility, responsiveness, and accountability. Concurrent with this new legislation was the distribution of a discussion paper entitled, "Framework for a New School Act: Highlights". In response to the question of financing education, this paper states:

There are wide variations in how much money a school district has to spend and how much it needs to tax its property, depending on how much industry it has. Yet, every student in Alberta -- regardless of where he or she lives, is guaranteed a right of access to a basic education. Given that equity is a primary principle of the new legislation, some jurisdictions require more help to provide a basic education than do others. The need for equity is recognized in the current method of funding but there may be a more equitable way to provide funding.

For this reason, the legislation does not include any significant changes to the current method of financing education. But, a separate discussion paper on this complex and important issue is being prepared. Before a new School Act is passed, the issue of education funding must be thoroughly discussed and debated.

The purpose of this paper is to describe the major issues involved in funding education and to propose alternative ways of addressing the issues. The goal is to ensure that our method of financing school jurisdictions is a fair and equitable one which provides school jurisdictions across the province with sufficient revenues to meet the needs of their students.

It is important to distinguish clearly between the terms "equity" and "equality". We have said that the goal is to ensure that our method of financing school jurisdictions is equitable. Not all school jurisdictions are the same. They have differing costs, and differing needs for their students. An "equitable" method of financing recognizes these differences and ensures that school jurisdictions are treated fairly.

In contrast, an "equal" method of finance would ignore the differences among school jurisdictions and provide them all with an equal amount of funds from the province. Recognizing the diversity of school jurisdictions and the fundamental principle that every student must be guaranteed a right of access to basic education, an equal method of financing is not appropriate. Instead, we must examine alternative ways of ensuring equity and fairness in our financing system.

All interested groups and individuals are invited to review and discuss the alternatives proposed in this paper and to provide their views and advice. On the basis of the response received, changes will be made to Bill 59 before it is debated, discussed and passed by the Legislative Assembly.

THE ISSUES

There are inequities in the current system of education. Since 1974/75, the proportion of funding to school boards from local sources has increased from under 20% to over 35%, while the provincial portion has declined. As a result, school boards have become more reliant on local revenue sources to provide basic educational programs to their students. (See Appendix 1, Table 1 and Figure 1.)

At the same time, there has been rapid growth in the commercial and industrial sector in Alberta. However, this growth has not occurred in all parts of the province. The growth in industry has occurred primarily in areas where there are natural resources, supplies of raw materials and access to transportation routes and community facilities. Other parts of the province have not been so fortunate. In summary, not only are school boards becoming more dependent on local revenues but there are also greater disparities among school jurisdictions in the amount of local assessment available to them. (See Appendix 1, Table 2 and Figure 2.)

The present system of funding provides some help for districts that have low fiscal capacity and higher costs. A system of equity grants was introduced in 1984, and planned to be phased in over five years. To date, the equity grant has been 50% implemented. At full implementation, the effect of the equity grant would be to bring all districts with below average fiscal capacity up to 80% of the provincial average supplementary requisition per pupil. (See Appendix 1, Table 3 and Figure 3.)

However, the disparities in local fiscal capacity and tax burden remain. As a result, there are continued inequities in the abilities of districts to provide their students with equitable access to basic education services.

The following key issues have been identified as ones that must be addressed:

- (1) Every student in Alberta regardless of where he or she lives, should have access to an education program that meets his or her needs. However, the costs of providing programs and the local financial resources available to school boards vary widely across the province.

Albertans place a high value on education. They want their children to have access to high standards of education and programs that meet their needs. At the same time, we know that it costs more in some parts of the province to provide a basic education to students. The costs vary for a number of reasons including: geographic location and distance from major centres, sparsity of population within the school jurisdiction, special needs of students, size of the school jurisdictions, administrative and transportation costs, to name only a few. We also know that some school jurisdictions have access to greater revenues because of the high level of business and industry in their area. Other school jurisdictions are forced to rely more heavily on taxing local residents.

In principle, any financing system must ensure that all school jurisdictions have sufficient resources available to them to enable them to provide their students with a high standard of education comparable to that offered in other parts of the province. As mentioned above, the current system of equity grants, which provides some assistance in meeting this objective, is not sufficient to remove the inequities that exist.

- (2) There are significant inequities in the level of taxes paid by residential and non-residential taxpayers depending on where in the province they are located.

As noted above, the growth in business and industry in Alberta has not occurred uniformly across the province. As a result, local wealth available to school boards is unevenly distributed. In addition, tax assessment generally is unequally distributed between public and separate school districts.

Because local wealth is unevenly distributed, taxes paid by property owners vary widely across the province. (See Appendix 1, Figure 4.) While the goal is not to provide for uniform taxes across the province, the underlying question is whether it is fair that people living in one part of the province should be forced to pay substantially more in education taxes for the same basic program that is offered in another school jurisdiction where people pay a fraction of that amount in taxes. While people may not object to paying more for special programs and services unique to their community, they have expressed concerns about paying significantly more for the basic program to which their children are entitled.

A related issue is inequities in taxes to businesses and corporations. Currently, the business sector is taxed twice to support education: by the province through the School Foundation Program Fund levy, and by the local school board through the supplementary requisition. While the provincial levy is a standard rate, the local taxes levied on behalf of school boards vary widely. The result is that poorer districts have a difficult time attracting business and industry to their communities. They can not compete with the tax rates available in wealthier districts and they can not lower their own tax rates because they need the revenue. An additional concern is that in some parts of the province, corporations may not be paying their fair share of taxes to support education because of the low tax rates in the area in which they are located.

- (3) There is concern with the increasing dependence of school boards on local revenues and the declining proportion of provincial funding. However, some school boards relate local taxation to local autonomy and control and do not want their local taxing power eroded.

The increasing dependence of school boards on local taxes has made the inequities in funding to school boards more severe. Given that the province does not have sufficient additional revenues available to correct all of the inequities, the issue becomes one of considering alternative ways of dividing up the total pool of resources available. School boards are reluctant to give up any of their authority to tax residents and businesses because they see this as a major factor in enhancing local autonomy, control and accountability. Shifts in taxing authority from locally elected school boards to the provincial government often are viewed as threats to the local control of school boards.

At the same time, serious inequities result from the current system. A fundamental issue in the School Act and in our democratic tradition is that people who are taxed must have an opportunity to vote for and run for elected office on the body that makes decisions about levels of taxation. This principle certainly applies to local residents. However, the relationship isn't as clear in the case of major businesses and corporations where the corporate owners do not vote in

local elections. Although these businesses may be providing significant economic benefits to the province as a whole, the major benefits they provide to education through taxation are restricted to only the school jurisdiction in which they are located.

Each of these issues is complex and difficult; however, the issues must be addressed carefully in order to ensure that any changes made to the financing of education result in a system which is fair and equitable and which fulfills the goal of providing all students with educational opportunities that meet their needs.

PRINCIPLES OF A SCHOOL FINANCE PLAN FOR ALBERTA

In keeping with the five underlying principles of the new School Act, (access to quality education, equity, flexibility, responsiveness and accountability), Alberta's school finance plan must meet the following criteria:

(1) RIGHT OF ACCESS

Every student in Alberta, regardless of that student's interests and abilities, has the right of access to a quality educational program that reasonably responds to his or her individual needs.

Every student must have an opportunity to acquire the knowledge, skills and attitudes that he or she needs to fulfill personal goals and contribute to society.

(2) COMPARABLE STANDARDS

Every student in Alberta, regardless of where he or she lives, must have the right of access to a quality educational program.

Students throughout the province must be treated equitably (that is, fairly, reasonably, and without bias or discrimination).

(3) FUNDING EQUITY

Every school jurisdiction in Alberta must have access to sufficient resources to provide quality educational programs that meet the needs of their resident students.

Because local resources and costs vary, some school jurisdictions require more provincial funding than do others so that they can meet their students' needs.

(4) TAX EQUITY

Tax effort in support of education must be as equitable as possible, for both residential and non-residential taxpayers, regardless of where in Alberta they choose to live or engage in business.

While some variations in taxes across the province are acceptable to meet local needs, people living in less wealthy areas of the province should not be forced to pay inordinately high taxes for basic education programs.

(5) RIGHT TO REQUISITION

In keeping with the principles of local autonomy and local accountability, every school jurisdiction must have access to some local tax revenue.

All school boards should have the option of using some of their resources to offer programs of local choice, and in deciding to offer such programs, the boards must be accountable to their local taxpayers.

(6) GOVERNMENT FLEXIBILITY

In keeping with the principle of provincial leadership and direction, the school finance plan must provide for sufficient flexibility in the allocation of provincial grants.

The provincial government must be able to provide leadership in responding to the changing needs of students and to changing societal trends through the provision of grants for specific purposes.

(7) PROVINCIAL SUPPORT

The provincial government must support the major portion of the total cost of education.

The provincial government, which ultimately is responsible for the education of all children in Alberta, has access to a variety of sources of revenue that can be used to help provide equitable programs and services throughout the province.

(8) EFFICIENCY AND EFFECTIVENESS

Local and provincial governments must be accountable for the expenditure of public funds. Funding for education, as for all other government programs and services, must be used effectively and efficiently.

ALTERNATIVE WAYS OF FINANCING EDUCATION IN ALBERTA

Keeping in mind the issues and principles outlined in the preceding sections, two dimensions to the financing of education must be considered: the sources of revenues and the method of distribution of those resources to support education programs and services for students.

Currently, the sources of funding for education are as follows:

- (1) General revenues of the province;
- (2) Provincial levy on commercial and industrial property;
- (3) Local school board taxes on residential and non-residential property; and
- (4) Miscellaneous school board fees, sales and interest.

In Alberta, the largest proportion of funds for education comes from provincial general revenues. (See Appendix 1, Figure 5.) However, it has always been assumed that the total funding for education is a shared responsibility. The Alberta Government contributes over half of the funds for education while local boards contribute approximately one-third. Under the Management and Finance Plan of Alberta Education, local school boards determine how the funds are to be used within provincial policies, guidelines and priorities.

For the most part, this plan has worked well and is consistent with the principles outlined in the preceding section. However, the issue of equity continues to be a concern. To address this issue, alternative ways of distributing the funds available need to be considered. The following five options outline alternative approaches to improving equity in Alberta's education finance plan.

Note: Figures 6 and 7 in Appendix I illustrate the effects of these five options.

OPTION 1: MAINTAIN THE CURRENT EQUITY GRANT AT THE 1987/88 STAGE - 50% OF FULL IMPLEMENTATION

The basic features of this option include:

- (1) Revenues for the provincial share of funding would continue to be provided by the general revenues of the province and a tax requisition on non-residential property.

- (2) Revenues for the school boards' share of funding would be provided through the locally-determined supplementary requisition on residential, farm and non-residential property.
- (3) No restrictions would be placed on the rate or amount of local supplementary requisitions.
- (4) Provincial grants would include those which are distributed on a per pupil basis in block or program form as well as equity-type grants.
- (5) The 1987/88 equity funding provides for a minimum grant equivalent to 50% of the potential equity grant amount. Equity funding in 1987/88 also provides for school boards with assessment per pupil above the provincial average to continue to receive a minimum grant equivalent to 50% of pre-1985 equity-type grants.
- (6) Equity grants would continue to be funded by provincial general revenues. Additional funds would not be required from the general revenues of the province nor would re-direction of other provincial education funds be required.

Option 1 has some positive features. It retains the basic approach to funding education that generally has been well accepted in the province. It permits locally elected school boards to continue to tax local residents and businesses with no limitation from the provincial government. It reduces some inequities in the system by bringing some school jurisdictions at the lower end of the local assessment scale closer to the provincial average. To the limited extent financial equity is improved, equity in educational opportunities for students is enhanced.

Option 1 also has several disadvantages. It has limited impact on the issue of inequities in taxation across the province. It does not distribute the burden of taxation equitably among districts or taxpayers. While it slightly eases the burden for taxpayers in jurisdictions with lower assessment, those jurisdictions with a high tax base can continue to tax individuals and businesses at very low rates. Furthermore, those jurisdictions which have a high tax base and are being phased out of equity funding continue to receive equity funding. This adds to their ability to have lower rates than "poorer" areas and further limits the ability of these "poorer" areas to attract business and industry.

A further concern with Option 1 is that it has little impact on the trend towards increased dependence on local revenues. If this trend continues, financial disparities among school jurisdictions will continue to grow.

OPTION 2: THE PRESENT PLAN WITH FULL IMPLEMENTATION OF THE EQUITY GRANTS

The basic features of this option include:

- (1) Revenues for the provincial share of funding would be provided by the general revenues of the province and a tax requisition on non-residential property.
- (2) Revenues for the school boards' share of funding would be provided by a locally-determined supplementary requisition on residential, farm and non-residential property.
- (3) No restrictions would be placed on the rate or amount of local supplementary requisitions.
- (4) Provincial grants would include those which are distributed on a per pupil basis in block or program form as well as equity-type grants.
- (5) Equity grants would be funded by provincial general revenues, to adjust the fiscal capacity of school boards whose assessment per pupil is below the provincial average, and to compensate for higher costs due to sparsity and distance from large urban centres. This would require either significant additional funds from the general revenues of the province or a redistribution of existing levels of provincial funds.

Option 2 has many positive features. It retains the basic approach to funding education that generally has been well accepted in the province. It permits locally elected school boards to continue to tax local residents and businesses with no limitation from the provincial government. It improves inequities in the system by bringing those school jurisdictions at the lower end of the local assessment scale closer to the provincial average. To the extent that this is accomplished, equity in educational opportunities for students is enhanced.

At the same time, Option 2 has some disadvantages. It requires either significant additional resources from the province at a time when provincial revenues are limited or it requires a redistribution of existing funds. This latter approach would shift funds away from basic per pupil grants, transportation, special education and other special grants and direct those resources to improving equity in the system. This would have a negative impact on school jurisdictions that are not in a position to require equity funding.

Option 2 would have a limited impact on the issue of inequities in taxation across the province. It would not distribute the burden of taxation equitably among districts or among taxpayers. While it may ease the burden for taxpayers in jurisdictions with lower assessment, those jurisdictions with a high tax base could continue to tax individuals and businesses at very low rates. The ability of "poorer" areas to attract business and industry would continue to be limited.

A further concern with Option 2 is that it would have little impact on the trend towards increased dependence on local revenues. If this trend continues, the disparities among school jurisdictions will continue to widen, and more and more provincial revenues would be directed towards improving equity.

OPTION 3: GRANT EQUITY ADJUSTMENT - THE EXISTING TAXATION STRUCTURE WITH GRANT ADJUSTMENTS TO COMPENSATE FOR LOW AND HIGH ASSESSMENT CAPACITY

The features of this option include:

- (1) Revenues for the provincial share of funding would be provided from the general revenues of the province and the current School Foundation Program Fund requisition on non-residential assessment.
- (2) Revenues for school boards' share of funding would be provided by a locally-determined supplementary requisition on residential, farm and non-residential property.
- (3) No restrictions would be placed on the rate or amount of local supplementary requisitions.

- (4) Provincial grants would be increased for those districts whose equalized assessment per pupil was below the provincial average. Grants would be decreased for those boards whose equalized assessment per pupil was above the provincial average.
- (5) Provincial grants would continue in block or program form along with equity-type grants.
- (6) The revenue saved from the reduction in grants to high assessment districts would be redirected to the grants for low assessment districts.

This option has many of the positive features of Option 2. It allows school boards to continue to tax local residential and non-residential property with no limitations from the province. The province would address inequities in funding by decreasing provincial grants to school boards whose equalized assessment per pupil was higher than the provincial average and redirecting those savings to low assessment areas. This would mean that the proportion of provincial to local revenues would vary across the province depending on the assessment available to the school board. Theoretically, there may be school jurisdictions that would receive little or no provincial funding. Option 3 would ensure equity in funding thereby enabling all school jurisdictions to provide equitable opportunities to students.

The major difficulty with Option 3 is that it is a complete shift away from the concept of the province being responsible for providing a base level of funding as is now provided through the School Foundation Program Fund. The role of the province would shift almost entirely to one of ensuring equity. While equity is an important principle, the provincial government has additional leadership responsibilities in education which could be hampered severely by this option.

The issue of local autonomy and control is a key issue with this option. If there is a relationship between local taxation and local autonomy and control, this option would result in some school jurisdictions with very high assessment having almost complete autonomy, while those with very little assessment would have virtually none.

Stated another way, funding for education in some jurisdictions would be almost completely dependent on local sources of revenue while in other jurisdictions the majority of funding would come from the province. Whether or not this option would reduce inequities in taxation of residential and non-residential property is debatable. It is unlikely that there would be a significant impact on taxation in areas with a high assessment base.

OPTION 4: FULL NON-RESIDENTIAL TAX REVENUE SHARING - PROVINCIAL TAXATION ON NON-RESIDENTIAL ASSESSMENT AND SCHOOL BOARD TAXATION LIMITED TO REQUISITIONS ON RESIDENTIAL AND FARM PROPERTY

The features of this option are:

- (1) Revenues for the provincial share of funding would be provided by the general revenues of the province and a provincial tax requisition on non-residential property.
- (2) Revenues for the school boards' share of funding would be provided by a locally-determined supplementary requisition on residential and farm property only.
- (3) Non-residential property would not be subject to taxation by school boards.
- (4) Provincial grants would continue to be distributed on a block or program basis with equity-type grants continued to adjust for fiscal capacity and cost differences.
- (5) The School Foundation Program Fund requisition would be adjusted to replace the local tax. This would ensure no loss in overall revenue for education. Changes in tax rates or revenue would be phased in to avoid any negative effects of sudden changes in revenue or tax rates.

Option 4 would remove school boards' ability to tax non-residential property. All non-residential property would be taxed provincially and the revenues would be redistributed to school boards. This option certainly would provide for equity in funding. It would balance out both the very high and the very low assessment areas and make residential, farm and non-residential tax burdens equitable across the province. All school districts would be assured comparable, basic revenues sufficient to provide a high standard of educational programs. By setting a provincial mill rate for all non-residential taxation for education, some incentive would be provided for businesses and industries to locate in a wider range of areas across the province.

The ability of school boards to tax locally would be restricted to residential property owners, people who are directly affected by the decisions of school boards and who are able to vote and run for elected office as trustees.

Eliminating access of school boards to the non-residential tax base may give the appearance of reducing access to discretionary resources. However, this option assumes that the majority of funds which would now be collected by the province would be returned to school boards in the form of block, discretionary grants. Only a portion of the provincially collected funds would be redistributed to compensate for remaining differences in fiscal capacity costs and basic education service needs. The application of these equity grants would continue to be at the discretion of school boards. School boards would retain the ability to raise revenues from other sources as at present. The level of funding would not be expected to increase.

Under Option 4, the provincial share of funding would increase to approximately 78%. This would decrease the reliance of school boards on local revenues while retaining the same or greater overall level of total funding for education.

Currently, Alberta has a number of non-operating school jurisdictions which have access to significant amounts of corporate taxation but do not operate any schools. Option 4 would remove the incentive to establish small jurisdictions for tax purposes. At the same time, it would remove current competition between public and separate school boards for assignment of non-residential property assessment.

A concern with Option 4 is the issue of whether or not the loss of ability to tax non-residential property has a negative impact on the autonomy and control of local school boards. Many school boards, especially those with high assessment, believe that their autonomy will be eroded by this alternative. A related concern is that some local businesses may prefer to continue to make direct contributions to education through local taxes in their community. Provincial taxation of non-residential property would remove the ability of local businesses to provide direct financial support to local school boards. With large corporations, this likely is less of a concern.

OPTION 5: LIMITED NON-RESIDENTIAL TAX REVENUE SHARING - THE PRESENT PLAN BUT SCHOOL BOARDS LIMITED IN THE AMOUNT THEY CAN TAX NON-RESIDENTIAL PROPERTY

The features of this option are:

- (1) Revenues for the provincial share of funding would be provided from the general revenues of the province and a tax requisition on non-residential property.

- (2) Revenues for school boards' share of funding would be provided by the locally-determined supplementary requisition on residential, farm and non-residential property.
- (3) School boards' requisitions on non-residential assessment would be limited to an amount determined by a provincial mill rate on equalized assessment equal to one-half the current average supplementary requisition mill rate.
- (4) The current provincial mill rate on non-residential property would be increased by a rate equal to one-half the current average supplementary requisition mill rate.
- (5) Provincial grants would continue to be distributed in block and program form along with equity grants.
- (6) The additional revenues from the increased requisition would be distributed as part of the basic and equity grants. The change would be phased in in order to prevent any substantial windfalls in funding and to shield boards from any sudden loss of revenue or taxpayers from sudden, substantial tax increases.

This option is a variation of Option 4. It has many of the advantages of Option 4 in that it would significantly improve equity in funding. The major difference is that it permits school boards to continue to tax local businesses and industries but only up to a mill rate set by the province. The province also would tax non-residential property in order to generate sufficient funds to improve equity across jurisdictions.

Allowing school boards a degree of ability to tax local non-residential property helps to address the issue of some local businesses wanting to support education directly in their community. It also allows school boards to retain greater autonomy in local taxation.

At the same time, this option has the disadvantage of continuing a system of double taxation on non-residential property. It may not be as effective in reducing inequities in taxation across the province.

To assist school jurisdictions in assessing the potential impact of these options on them, Appendix 2 lists the school jurisdictions of Alberta according to adjusted equalized assessments per pupil.

NEXT STEPS

Each of these options must be carefully reviewed and assessed. Trustees, superintendents, secretary-treasurers, teachers and all interested Albertans are invited to consider the options and to provide the Minister of Education with their advice, opinions and suggestions. Individuals and school boards are encouraged to submit responses to this paper directly to the Minister and discuss it with their Member of the Legislative Assembly.

The process of consultation is vitally important. The views of Albertans on the critical issue of how education is funded are essential to ensure that changes in the School Act reflect the views expressed and are directed towards the educational interests of students.

APPENDIX I
TABLES AND FIGURES

TABLE 1

EDUCATION FUNDING BY SOURCE

YEAR	PROVINCIAL GENERAL REVENUE	PROV. SFPF LEVY	LOCAL SUPPLEMENTARY REQUISITION	OTHER REVENUE
1950	27.04%	0.00%	68.29%	4.67%
1952	29.14%	0.00%	67.17%	3.69%
1954	32.40%	0.00%	64.02%	3.58%
1956	45.19%	0.00%	51.40%	3.41%
1958	44.63%	0.00%	51.97%	3.40%
1960	44.42%	0.00%	52.80%	2.78%
(1) 1961	47.40%	44.86%	5.42%	2.32%
1962	44.87%	44.45%	8.30%	2.38%
1964	46.41%	43.27%	8.11%	2.21%
1966	52.81%	35.46%	8.49%	3.24%
1968	51.36%	30.11%	15.16%	3.37%
1970	56.98%	28.07%	11.42%	3.53%
1972	56.25%	27.12%	12.55%	4.08%
(2) 1974	68.00%	13.03%	15.06%	3.91%
1975	70.07%	8.65%	17.41%	3.87%
1976	68.44%	8.36%	19.00%	4.20%
1978	63.95%	8.96%	22.49%	4.60%
1980	59.16%	9.60%	26.16%	5.08%
1982	56.10%	9.16%	29.74%	5.00%
1984	55.52%	8.41%	30.41%	5.66%
1985	56.32%	7.75%	30.61%	5.32%
1986	56.95%	7.04%	31.16%	4.85%

(1) In 1961 the School Foundation Program Fund (SFPF) was introduced. A provincial SFPF property tax replaced most of the local property taxes.

(2) In 1974 the SFPF levy was removed from farmland and residential property thereby greatly reducing the amount raised by the SFPF levy.

PERCENTAGE OF FUNDING BY SOURCE

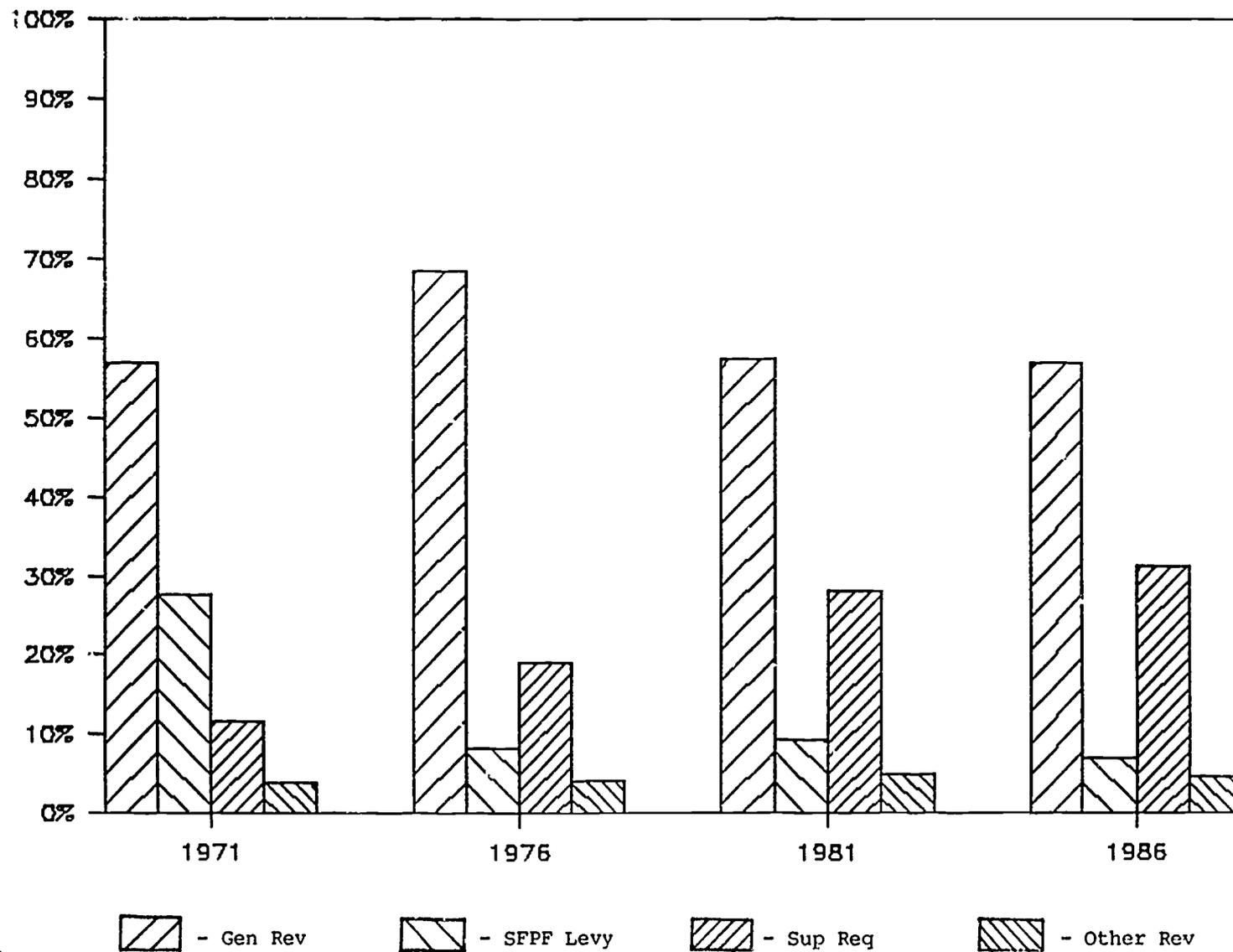


FIGURE 1

TABLE 2

EQUALIZED ASSESSMENT PER RESIDENT PUPIL
(1986)

ASSESSMENT PER PUPIL	NUMBER OF JURISDICTIONS
\$ 0-10,000	2
10-20,000	14
20-30,000	39
30-40,000	41
40-50,000	18
50-60,000	20
60-70,000	6
70-80,000	9
80-90,000	7
90-100,000	1
100,000+	19

- (1) Actual Range: \$8,600 to \$991,000
- (2) Average: \$49,540
- (3) Median: \$37,300
- (4) A complete list of jurisdictions by adjusted equalized assessment per pupil is provided in Appendix A.

EQUALIZED ASSESSMENT PER PUPIL (1986 STANDARDIZED DATA)

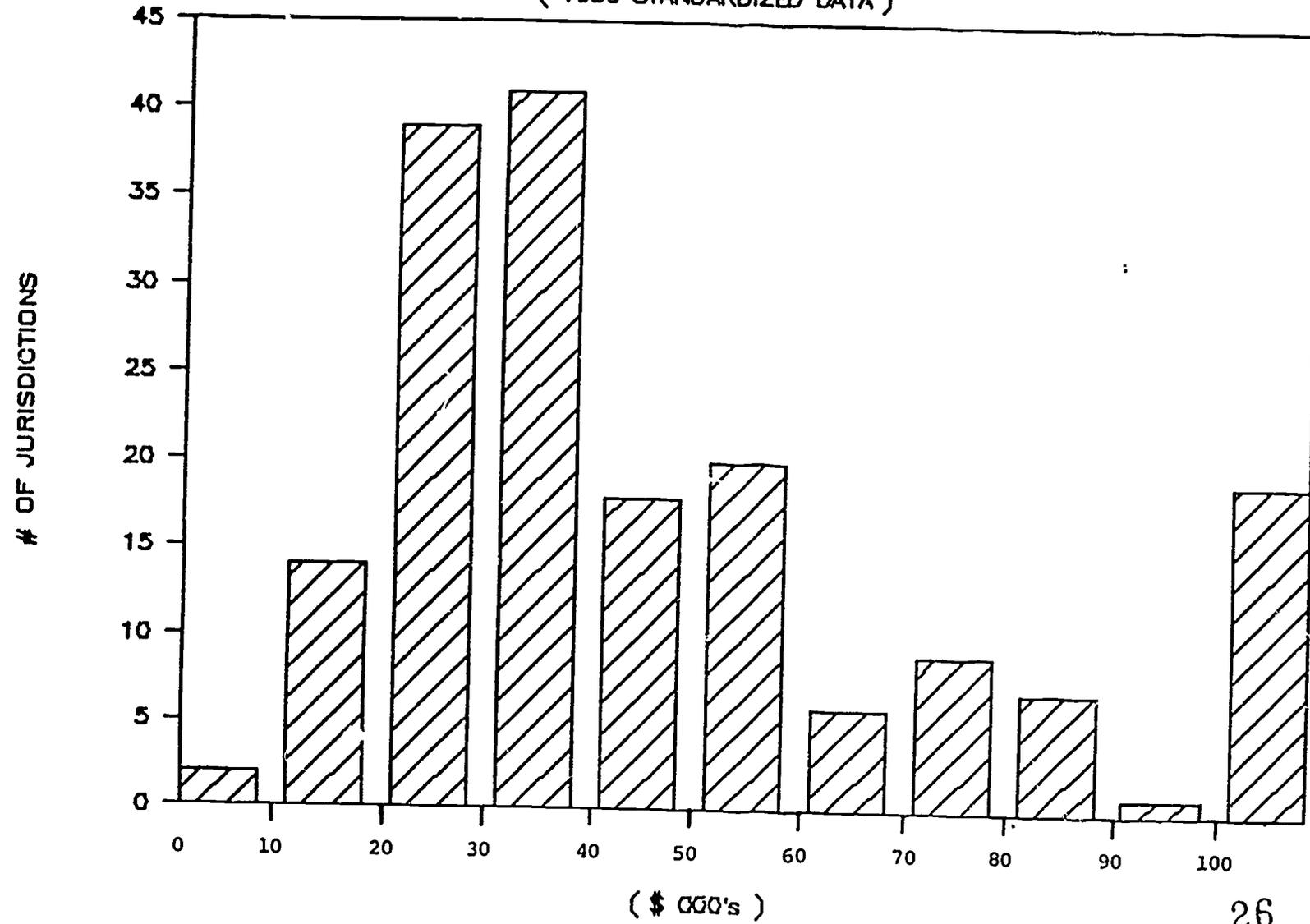


FIGURE 2

TABLE 3

EFFECT OF EQUITY GRANT ON FISCAL CAPACITY

EQUALIZED ASSESSMENT PER RESIDENT PUPIL
(1986)

EQUALIZED ASSESSMENT PER PUPIL	NUMBER OF JURISDICTIONS		
	PRE-EQUITY	50%-EQUITY (1)	FULL-EQUITY (2)
\$ 0-10,000	2	0	0
10-20,000	14	0	0
20-30,000	39	7	0
30-40,000	41	28	0
40-50,000	18	78	113
50-60,000	20	21	21
60-70,000	6	6	6
70-80,000	9	9	9
80-90,000	7	7	7
90-100,000	1	1	1
100,000+	19	19	19

(1) Current stage of equity grant implementation.

(2) Full implementation of equity grant when funds become available.

EFFECT OF EQUITY GRANT (ON FISCAL CAPACITY)

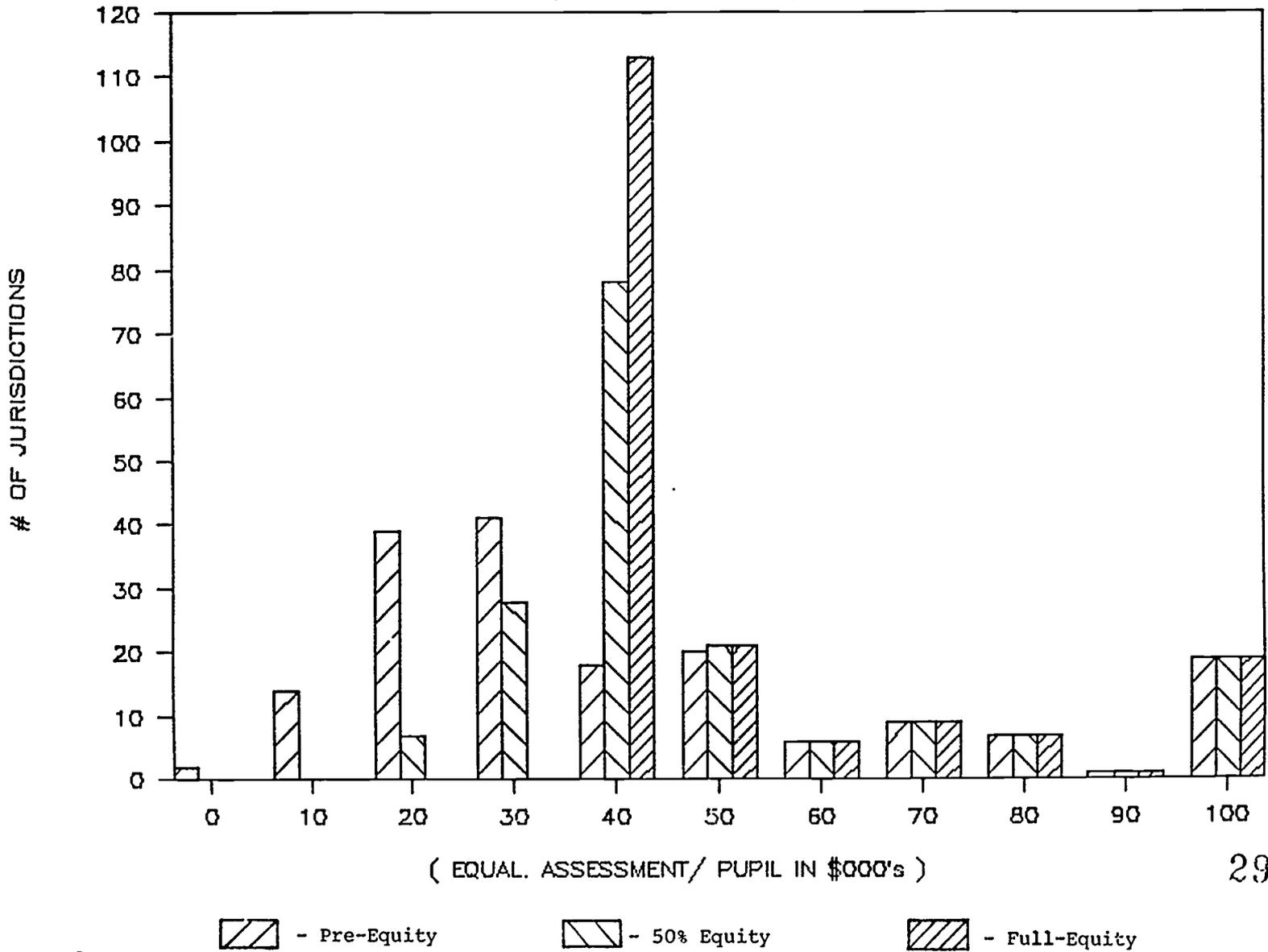


FIGURE 3

NET MILL RATES (1986)

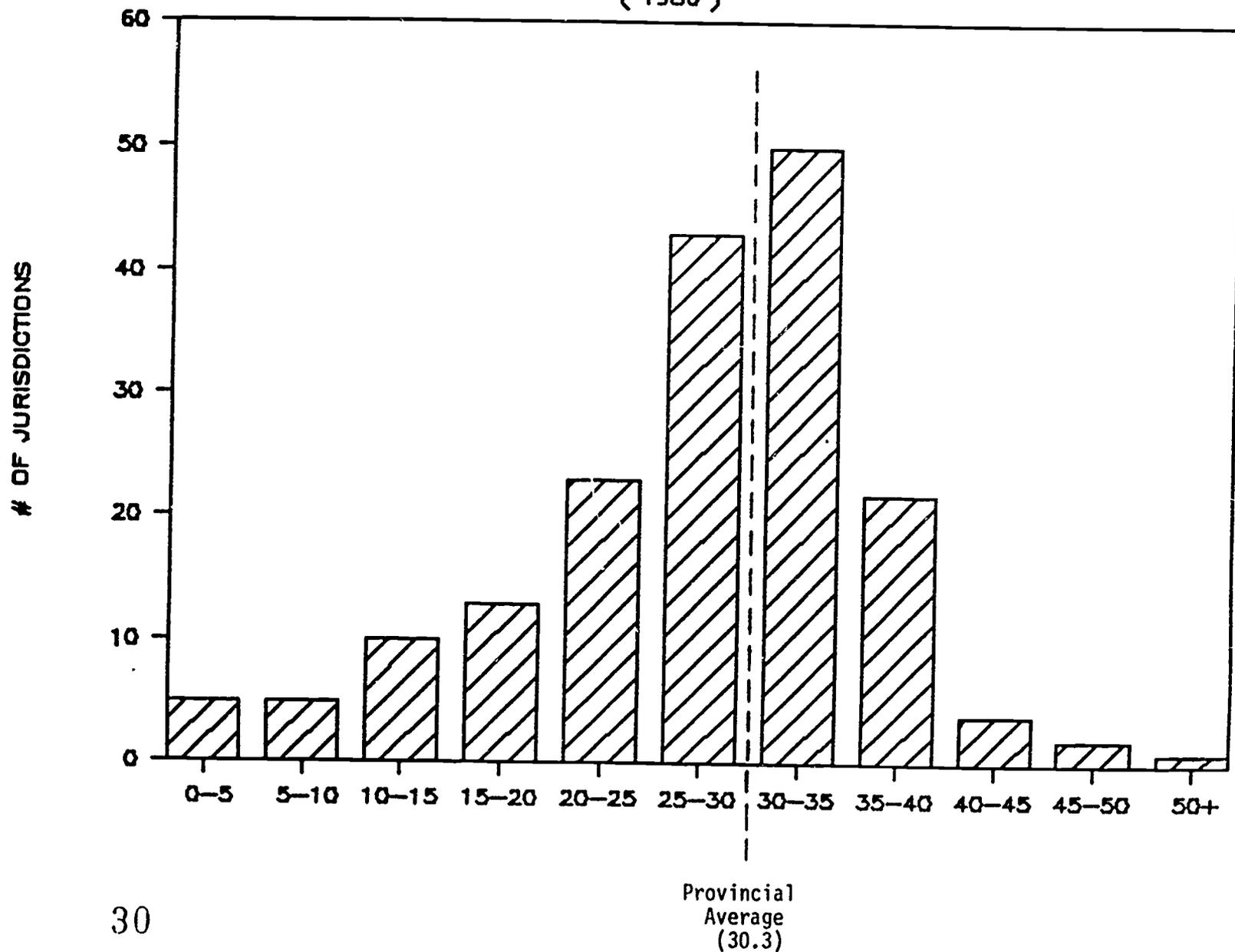


FIGURE 4

EDUCATION FUNDING BY SOURCE (1986)

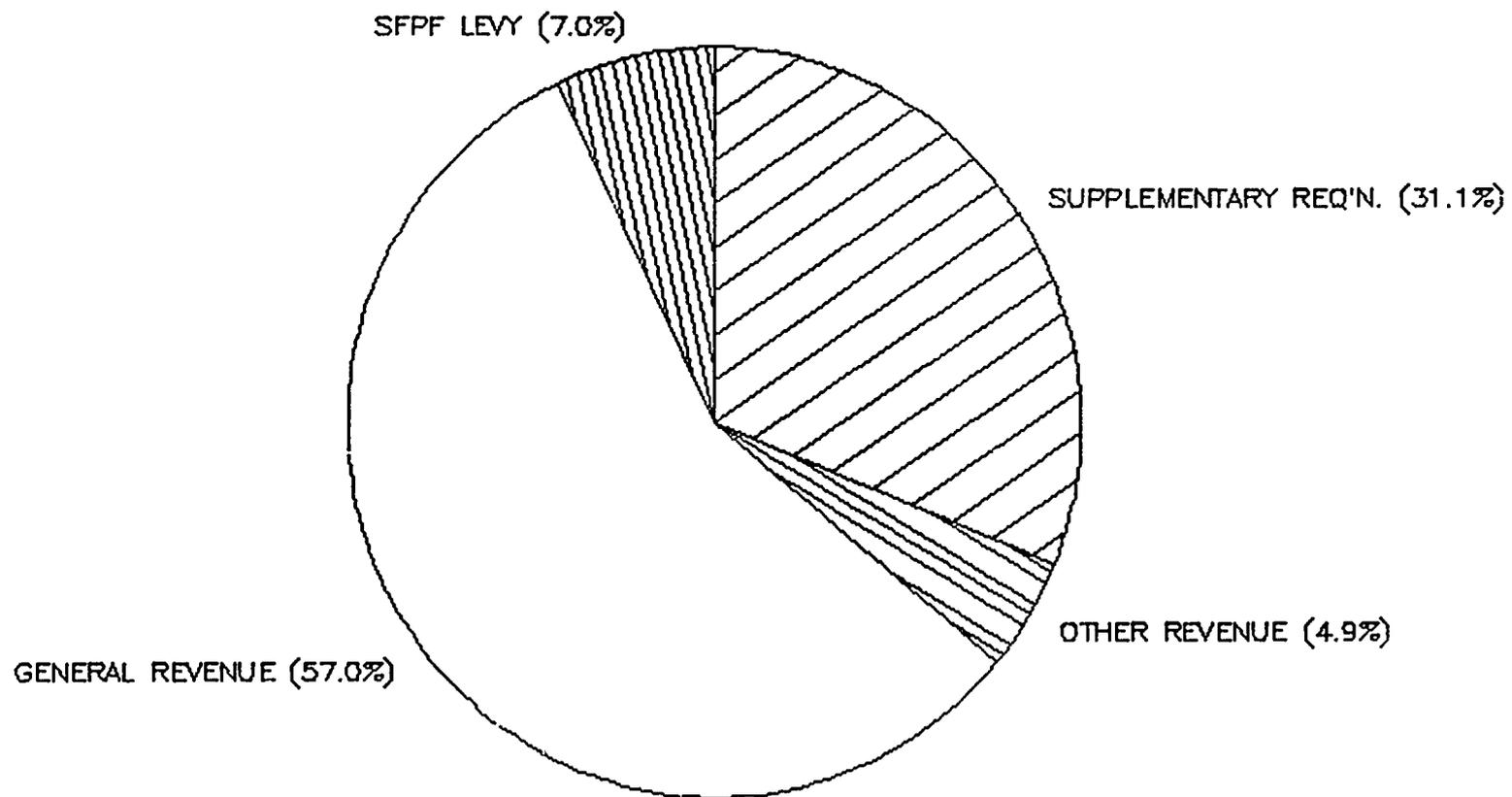


FIGURE 5

EDUCATION FUNDING SOURCES

(OF OPTIONS 1-5)

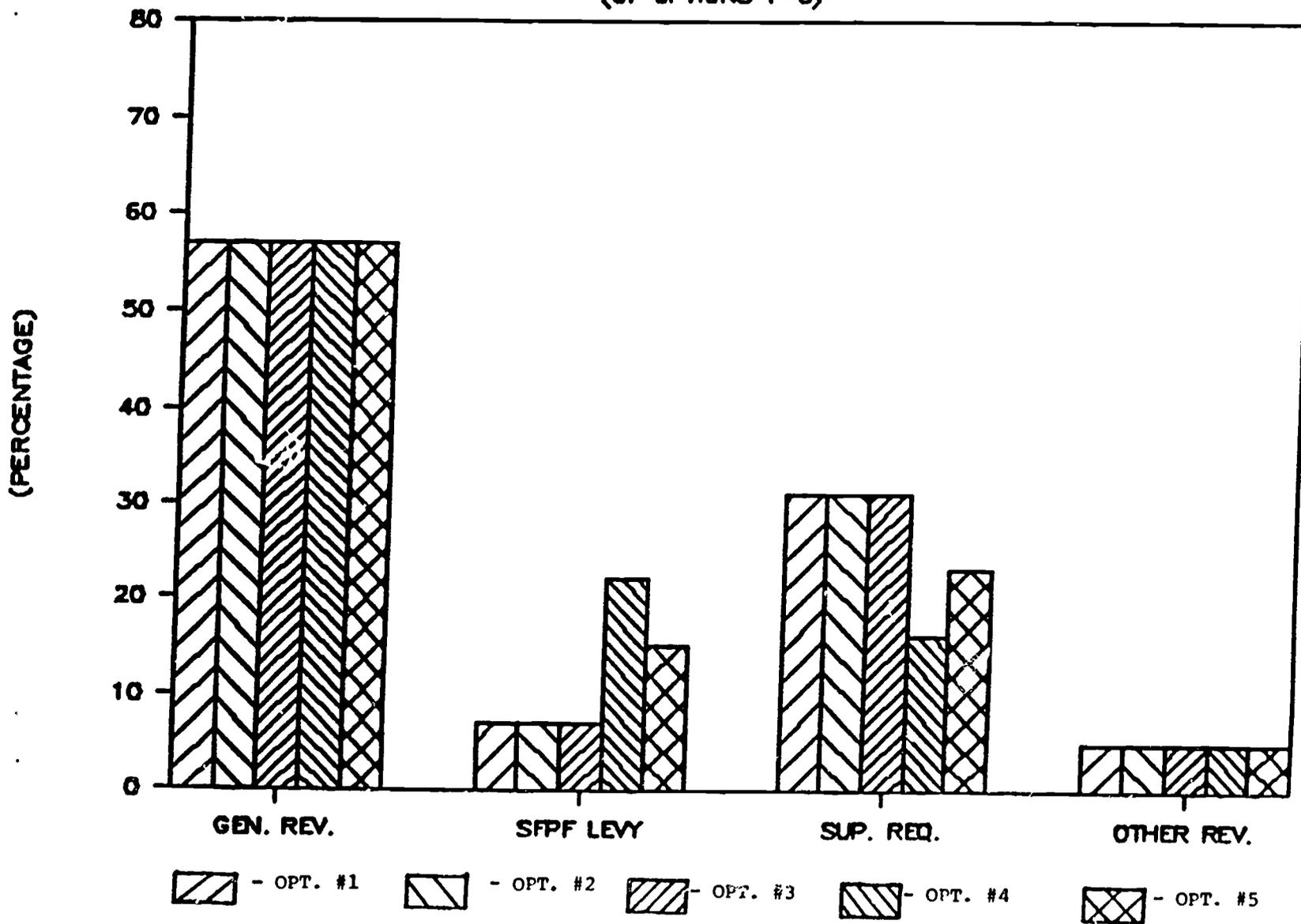


FIGURE 6

LOCAL TAX AND EQUITY REVENUE EFFECT

(COMPARISON OF OPTIONS 1-5)

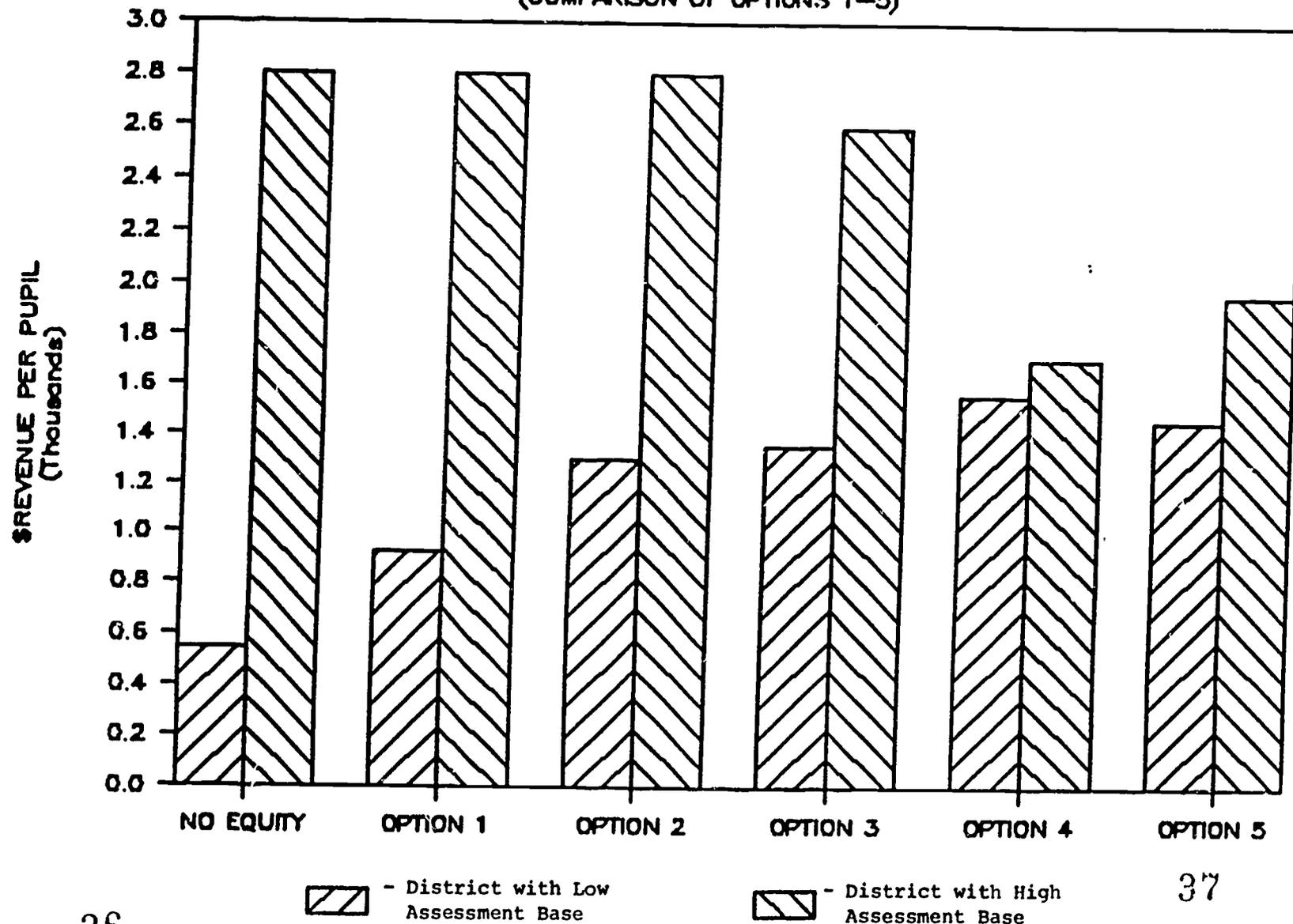


FIGURE 7

APPENDIX II
ADJUSTED EQUALIZED ASSESSMENT PER PUPIL

ADJUSTED EQUALIZED ASSESSMENT PER PUPIL
(1986 DATA)

AEARP	JURISDICTION
0-10,000	WASKASOO RCSSD #185 GAP LAKE RCSSD #188
10-20,000	STIRLING SCHOOL DIST #647 FT VERMILION RCSSD #26 MCLENNAN RCSSD #30 HIGH PRAIRIE RCSSD #56 ISLAND HILL RCSSD #201 POPLAR HEIGHTS RCSSD #203 BEAVERLODGE RCSSD #68 HAYTER RCSSD #70 VALLEYVIEW RCSSD #34 CEDAR CREEK RCSSD #232 MACLEOD VALLEY RCSSD #234 TOMAHAWK RCSSD #120 SPRUCE GROVE RCSSD #128 ROCKY MTN HOUSE RCSSD #131
20-30,000	CARDSTON SCHOOL DIV #2 WESTLOCK SCHOOL DIV #37 FAIRVIEW SCHOOL DIV #50 LAC LA BICHE SCHOOL DIV #51 COUNTY OF WARNER #5 COUNTY OF BARRHEAD #11 COUNTY OF ST PAUL #19 COUNTY OF LETHBRIDGE #26 ST ALBERT SCHOOL DIST #3 LEDUC SCHOOL DIST #297 LEGAL SCHOOL DIST #1738 REDCLIFF SCHOOL DIST # 2283 ST. ISIDORE SCHL. DIST #5054 WETASKIWIN RCSSD #15 PINCHER CREEK RCSSD #18 LAKELAND RCSSD #150 GRANDE PRAIRIE RCSSD #28 STONY PLAIN RCSSD #151 WAINWRIGHT RCSSD #31 EDSON RCSSD #153 SPIRIT RIVER RCSSD #36 NORTH PEACE RCSSD #43 STONE VISTA RCSSD #184 SHADY NOOK RCSSD #185 SEXSMITH RCSSD #51 KING EDWARD RCSSD #200 COALDALE RCSSD #73 PICTURE BUTTE RCSSD #79 BURDETT RCSSD #83 WHITECOURT RCSSD #94 PONOKA RCSSD #95 RAYMOND RCSSD #100

ADJUSTED EQUALIZED ASSESSMENT PER PUPIL
(1986 DATA)

AEARP JURISDICTION

WESTLOCK RCSSD #110
DRAYTON VALLEY RCSSD #111
AUBINDALE RCSSD #122
LEDUC RCSSD #132
FALHER CONS SCHL DIST #69
THIBAULT RCPSD #35
ST ALBERT PSSD #6

30-40,000

TABER SCHOOL DIV #6
WILLOW CREEK SCHOOL DIV #28
HIGH PRAIRIE SCHOOL DIV #48
FT VERMILION SCHOOL DIV #52
DRUMHELLER SCHOOL DIV #62
CROWSNEST PASS SCHOOL DIV #63
COUNTY OF GRANDE PRAIRIE #1
COUNTY OF PONOKA #3
COUNTY OF THORHILD #7
COUNTY OF ATHABASCA #12
COUNTY OF CAMROSE #22
COUNTY OF RED DEER #23
COUNTY OF LAMONT #30
MEDICINE HAT S DIST #76
RED DEER SCHOOL DIST #104
WETASKIWIN SCHOOL DIST #264
CAMROSE SCHOOL DIST #1315
STETTLER SCHOOL DIST #1475
BROOKS SCHOOL DIST #2092
ST. PAUL SCH DIST #2228
GRANDE PRAIRIE DIST #2357
WHITECOURT SCH DIST #2736
DEVON SCHOOL DISTRICT #4972
LAKELAND SCH DIST #5460
LETHBRIDGE RCSSD #9
VEGREVILLE RCSSD #16
RED DEER RCSSD #17
MEDICINE HAT RCSSD #21
THERESETTA RCSSD #23
DRUMHELLER RCSS DIST #25
FAIRVIEW RCSSD #35
KILLAM RCSSD #49
TABER RCSSD #54
BOWTELL LAKE RCSSD #189
CAMROSE RCSSD #60
PROVOST RCSSD #65
VEGREVILLE RURAL RCSSD #220
BOW ISLAND RCSSD #82
VERMILION RCSSD #97
SHERWOOD PARK RCSSD #105
GLEN AVON PSSD #5

ADJUSTED EQUALIZED ASSESSMENT PER PUPIL
(1986 DATA)

AEARP	JURISDICTION
40-50,000	PEACE RIVER SCHOOL DIV #10 STURGEON SCHOOL DIV #24 WAINWRIGHT SCHOOL DIV #32 FOOTHILLS SCHOOL DIV #38 SPIRIT RIVER SCHOOL DIV #47 COUNTY OF BEAVER #9 COUNTY OF WETASKIWIN #10 COUNTY OF MOUNTAIN VIEW #17 COUNTY OF VERMILION RIVER #24 COUNTY OF LEDUC #25 COUNTY OF LAC ST ANNE #28 LETHBRIDGE SCHOOL DIST #51 LLOYDMINSTER SCHL DIST #1753 CALGARY RCSS DIST #1 EDMONTON RCSSD #7 ASSUMPTION RCSSD #50 LLOYDMINSTER RCSSD #34 BARONS CONS SHL DIST #8
50-60,000	PINCHER CREEK SCHOOL DIV #29 ROCKY VIEW SCH DIV #41 THREE HILLS SCHOOL DIV #60 COUNTY OF STETTLER #6 COUNTY OF FORTY MILE #8 COUNTY OF SMOKY LAKE #13 COUNTY OF LACOMBE #14 COUNTY OF STRATHCONA #20 COUNTY OF TWO HILLS #21 COUNTY OF MINBURN #27 COUNTY OF FLAGSTAFF #29 COUNTY OF PARKLAND #31 EDMONTON SCHOOL DIST #7 CALGARY SCHOOL DISTRICT #19 GROVEDALE SCHOOL DIST #4910 HINTON RCSSD #155 STRAND RCSSD #86 FT SASKATCHEWAN RCSSD #104 ROSEDALE RCSSD #108 SMITHREADE PSSD #7
60-70,000	STARLAND SCHOOL DIV #30 PROVOST SCHOOL DIV #33 MOUNT RUNDLE SCH DIV #64 COUNTY OF VULCAN #2 MORLEY SCHOOL DISTRICT #172 FT MCMURRAY RCSSD #32
70-80,000	RANGELAND SCHOOL DIV #9 YELLOWHEAD SCHOOL DIV #12 ROCKY MOUNTAIN SCHOOL DIV #15

ADJUSTED EQUALIZED ASSESSMENT PER PUPIL
(1986 DATA)

AEARP	JURISDICTION
	COUNTY OF NEWELL #4
	COUNTY OF WHEATLAND #16
	FT MCMURRAY SCH DIST #2833
	GRANDE CACHE DIST #5258
	GR PRAIRIE RURAL RCSSD #190
	LUXEMBURG RCSSD #71
80-90,000	ACADIA SCHOOL DIV #8
	NEUTRAL HILLS SCHOOL DIV #16
	NORTHLAND SCHOOL DIV #61
	KEYSTONE VALLEY S DIST #5098
	SASKATCHEWAN RCSSD #144
	CROSSROADS RCSSD #46
	BRUSH HILL RCSSD #218
90-100,000	EAST SMOKY SCHOOL DIV #54
100,000+	BERRY CREEK SCHOOL DIV #1
	CYPRESS SCHOOL DIV #4
	COUNTY OF PAINT EARTH #18
	BANFF SCHOOL DISTRICT #102
	LAKE LOUISE SCH DIST #1063
	EXSHAW SCHOOL DISTRICT #1699
	ROSENHEIM SCHOOL DIST #1892
	WESTERN RIDGE SCH DIST #2083
	HOKENHEIM SCHOOL DIST #2094
	JASPER SCHL DIST #3063
	PORTSMOUTH SCHOOL DIST #3705
	WATERTON PARK SCH DIST #4233
	SWAN HILLS SCH DIST #5109
	CRANBERRY HILLS S DIST #5530
	SIBALD FLATS SCHL DIST #5531
	BIG EDDY RCSSD #164
	WESTDALE RCSSD #174
	CAMPBELL LAKE RCSSD #202
	WHITE ROSE RCSSD #102