

Minister questions New West school board Business 'investment' worries Shirley Bond

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NEW WESTMINSTER - Education Minister Shirley Bond has ordered a review of a business company operated by the New Westminster school board after some parents complained that the company has devoured almost \$1 million that could have been spent on schools and students.

Bond said she's asked her staff to look into concerns raised by the parent advisory council (PAC) at Howay elementary school last week. "We need to ask some questions to get a sense of what's happening there," she said in an interview, adding she expects to receive an initial report today.



CREDIT: Glenn Baglo, Vancouver Sun files
Education Minister Shirley Bond

The parents said the school board has loaned close to \$1 million to the company, which is planning to open two schools in Asia this fall and is operating an ESL program in China, without specific plans for repayment.

"We find this hard to accept when our school planning council has made requests for such essentials as books, computers, sports equipment and extra librarian time and are turned down due to lack of available funds," PAC co-chairmen Paul Johansen and Dan Phillips said in a letter to the minister.

They also said the school board has refused to answer questions about the company and "does not feel the need to be accountable to its shareholders, who are the district parents and students."

In an interview Sunday, school board chairman Michael Ewen said he doesn't believe Bond has the authority to review the business of school board companies because the ministry has not set rules about their conduct -- except for a section of the B.C. School Act that says boards may not "give, loan or otherwise provide" to a company any funds received from the province for education.

"My understanding is the only thing the ministry can ask is 'Are ministry funds being used in a business company?' and the answer to that is definitely no," Ewen said.

The money spent on the business company is not a loan, but an investment, he added. Bond suggested it would be all right to direct money the district raises through its international students program to the business company, but Ewen said even that is not clear.

New Westminster is one of 14 B.C. school boards that established business companies in recent years in response to urgings from the Liberal government that they become entrepreneurial in order to raise more money for education.

Ewen acknowledged the New Westminster business company has spent close to \$1 million without turning a profit but said that isn't unusual for a fledgling company. The money will be repaid, he said, predicting the company will eventually become a "phenomenal" success.

It is expected to break even this year for the first time in its three-year history, Ewen added.

He compared the complaints about the business company to the concerns voiced years ago when the district embarked on an international students program. That program is now highly successful and has brought millions of dollars in revenue to the district, he added.

Ewen said the business company is accountable to its only shareholder, the school district. But Bond said the line of accountability isn't clear. "That's one of the questions I want to ask," she said. "I'm not sure where this fits."

The Howay PAC also raised concerns about the school board's handling of plans for a new secondary school, saying the board closed the adjoining Massey Theatre before it was necessary and then had to rent space at a local church to accommodate the band program.

The construction project was delayed after the initial costs were projected to be over budget. Ewen said the plans have been scaled back since then and he expects construction will begin this summer.

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