

# CUPE FACTS

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## Education Funding in Ontario for 2015-16

March 26, 2015

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### GSN for 2015-16

Education funding for 2015-16 was announced on March 26, 2015 by the Ministry of Education. Only the Grants for Student Needs (GSN) were released. The Education Program – Other (EPO) announcement will be at some future date.

In addition to the GSN, the ministry released a revised version of the Pupil Accommodation Review Guidelines, which describes the process school boards must go through when considering closing schools.

The documents released today are available on the ministry website at:

<http://www.edu.gov.on.ca/eng/funding/index.html>

Overall, *GSN funding has been cut by \$70M over the amounts announced a year ago.* Last year, the GSN increased by 3.1%, but that amount appeared more impressive than it actually was. Most of the increase last year was accounted for by the movement of funding for Full Day Kindergarten (FDK) from EPO to GSN. A 2% increase to ETFO teachers' salaries, and funding for a half-year's grid movement accounted for most of the remainder of last year's GSN increase.

The government is fond of announcing how much education funding has increased since they took office but we won't even repeat the number here as it is meaningless, failing to take inflation into account.

### Special Education

Overall, special education funding is unchanged from 2014-15 at \$2.72B. Last year, the ministry

announced changes to the special education funding model, to be implemented over four years, to "provide greater fairness and equity." Essentially, the ministry is moving towards using more recent data and statistical prediction models. The special education funding change is projected to be revenue neutral across the province but it will have an impact on individual boards. In fact, *38 boards will be receiving less funding for special education next year than they did this year* as a result of the redistribution.

### School Operations Allocation

The ministry's School Board Efficiencies and Modernization (SBEM) initiative launched a few years ago aimed to increase the efficient operation of school board school facilities.

What the ministry really had in mind though was reducing "incentives" to boards to keep open schools that the ministry felt had too much "surplus capacity." Last year the ministry reduced "top-up" funding for schools with excess student capacity by \$42.5M, taking aim especially at schools operating at less than 65% capacity.

Beginning in 2015-16, *the ministry is eliminating base top up funding altogether.* Over the next three years top-up funding will be reduced by one-third a year. Base top-up funding will be \$101.3M in 2015-16.

A portion of the savings will be rolled in to the school operations benchmark, increasing it by \$3.23 per sq/m to \$84.38 per sq/m. While this is a long overdue increase to the school operations benchmark, *the overall cut to the School Operations Allocation will be \$11M in 2015-16*, with further reductions to take place in the subsequent two school years.

Enhanced top-up funding for schools that are isolated from other schools of the same board will continue. Enhanced top-up funding will amount to \$80.3M in 2015-16.

The criteria for determining which schools qualify for enhanced top-up funding is being changed for 2015-16. Under the new criteria, any elementary school that is at least 10 km away from the next closest school of the board will qualify for Enhanced top-up funding. Any secondary school facility that is at least 20 km away from the next closest secondary school of the board will also qualify for Enhanced top-up funding. At the same time as these new criteria are being introduced, old criteria that provided enhanced top-up funding to schools designated as “supported” or “rural” are being eliminated. These changes are also being phased in over three years.

Overall, these changes to school top-up funding represent a significant cut from last year’s amounts. In 2014-15 total top-up funding (base and enhanced) amounted to \$219.5M. This year it will total \$181.6M, *a cut of \$37.9M or 17%*.

The non-staff portion of the school operations benchmark is also being increased by 2% to assist with rising utility prices, while the electricity component is increasing by 7.3%.

### **School Foundation Grant**

The school foundation grant, which provides funding for school office staff as well as principals and vice-principals, is being restructured for 2015-16. Until now, this grant provided funding for one office staff person regardless of school size. Beginning in 2015-16, a new formula is being phased in over three years. Under this change, only schools that are designated as “supported”, i.e. elementary schools that are more than 20km from another board elementary school, or secondary schools more than 45km from board secondary schools, qualify for funding for one FTE school office

staff. All other schools with less than 100 students enrolled will get an office staff allocation based on enrolment. A school with 50 students enrolled will get funded for .5 FTE office staff; a school with 25 students will get .25 FTE, etc.

Like in the past, the formula provides funding for additional office staff for schools over 100 students, also based on a sliding scale. The amounts allocated under this scale are unchanged from last year.

The net effect of this change, as well as changes to the formula for allocating principals and vice-principals, will be to shift funding away from very small schools that are not “isolated” to schools that are larger, remote, or combined (i.e. serve both elementary and secondary students.) While overall the School Foundation grants increases by 1.3M for 2015-16, *the allocation for office staff is being cut as a result of these changes.*

### **Geographical Circumstances Grant**

This grant will be reduced over three years, with the rural and small community portion being eliminated altogether. The cut for 2015-16 amounts to \$7.1M.

### **Declining Enrolment Adjustment**

A cut to the declining enrolment grant of \$14.1M is being fully implemented in 2015-16 (i.e. not phased in like most of the other cuts). The ministry’s B memo puts the rationale for this cut rather starkly: “School boards have had more than ten years of experience in adjusting their cost structures to enrolment decline. Beginning in 2015–16, the ministry will be reducing this grant to encourage school boards to adjust more quickly to declining enrolment.”

### **Wage Grids**

The government has not provided additional funding for wage grid increases, above last

year's amounts. It continues to take the position that the 97 day delay in wage grid movement contained in the 2012-14 Memoranda of Understanding applies during the Labour Relations Act's statutory freeze provision, until new terms of agreement are negotiated.

### **Employer Bargaining Agent Fees for Labour Relations Activities**

New for 2015-16, schools boards will receive funding for collective bargaining activities via The School Board Administration and Governance Grant. Boards will be provided "with the funding necessary to support the labour relations activities of their respective trustees' associations." Activities covered include travel and accommodation, actuarial services, legal services, and translation.

In the past two rounds of central table negotiations, support staff unions and teachers federations were also provided with funding to cover bargaining expenses.

### **Pupil Accommodation Review Guidelines (PARG)**

The ministry has been clear that it has wanted to revise the PARG to create a more streamlined process for closing schools. In late 2014 it released a consultation paper that clearly set out the direction it wanted to take.

The priority given to the government's "fiscal context" in the (PARG) consultation document made it clear that the exercise was focused on saving money by forcing school boards to close more schools. It talked about redirecting toward "student achievement" money that supports school space "that is idle or not being used for core educational purposes."

During a consultation session at which CUPE participated we told the ministry that we have a major problem with the ministry's concept of "core educational purposes." It implies a

narrow definition of school use, ignoring the creative ways many school boards are using extra school capacity; for example, by offering wide ranging adult education programs and parenting centers, to name just a few.

Predictably, the input of CUPE and other groups who stand up for strong schools sustaining vital communities was ignored in the new PARG.

The new PARG will neuter the accommodation review committees (ARCs) by removing their ability to make recommendations and limiting their roles to commenting, providing feedback and suggesting other "options". Committee membership will only provide for formal roles for parents/guardians of students. Only if a local board policy provides for it will others including students and community groups be given a role.

The new PARG will cut the number of public meetings in half to two, a further diminution of the ability of community members and community groups to participate in the process, especially in reviews covering large rural areas where the schools involved may be in communities many kilometres apart.

These changes to ARCs thwart democratic involvement and community participation in the affairs of their local school.

The new PARG "dumbs down" the School Information Profiles (SIPs). Under the old PARG the SIPs addressed difficult questions about the value of a school to students, communities and local economies. Now, they apparently will only consider a school's value to students and the school board. Thankfully, the SIPs will provide some information about community use of school facilities. As well, a revised Community Planning and Partnerships (CPP) guideline should further promote community input into use of school facilities. Overall though, the CPP will do little to stem the tide of school closures we can expect as a result of the streamlined PARG process.

## Conclusion

Changes to top-up grants, the school foundation grant, the geographical circumstances grant and the declining enrolment grant are clearly aimed at making schools with low enrolment uneconomical for school boards to operate. Changes to the PARG will make the process of closing small schools less painful for boards. Small schools and schools not full to the brim are the biggest losers in the funding changes announced today.

School boards experiencing declining

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enrolment, that is, most boards in the province are also big losers. Once again education workers will suffer the consequences of a tight fisted government more concerned with its bottom line than providing the education system Ontarians deserve.