



#### **FIX OUR SCHOOLS CAMPAIGN:**

Founded in Spring 2014, we continue to be a non-partisan, parent-led, Ontario-wide campaign focused on ensuring that:

- Every publicly funded school in Ontario is a safe, well-maintained, healthy building that provides an environment conducive to learning and working
- The \$15.9-billion of disrepair across all 72 Ontario school boards is eliminated, which depends upon adequate and stable provincial funding
- Publicly funded schools are funded as critical public infrastructure

We are optimistic that your provincial government will be the government that *finally* fixes Ontario's publicly funded schools, given your government's commitment to:

- 1) Govern for the people. What act could be more "for the people" than to ensure that the 2-million children in this province who spend their days in publicly funded schools learn in safe, healthy, well-maintained buildings?
- **2) Reduce government waste.** What is more wasteful than waiting for critical public infrastructure, such as publicly funded school buildings, to fall apart before fixing it? Reactive maintenance can cost up to **three times** more than proactive maintenance. Sadly, the vast majority of repairs to Ontario's publicly funded schools are currently done reactively so we know that your government would agree this is an atrocious waste.
- **3)** Restore accountability and trust to government. For twenty years, four successive provincial governments grossly and chronically underfunded school repairs, often providing only **one-tenth** of what industry standards suggest was the absolute minimum required by school boards to keep Ontario's publicly funded schools safe and well-maintained. And yet, those same provincial governments failed to take accountability for the resulting disrepair, instead blaming school boards. Accountability and trust in government could be restored in Ontario through bold leadership that takes responsibility for these important public assets and ensures that all Ontario's publicly funded schools are safe, healthy, well-maintained buildings.

With this optimism in mind, we are pleased to provide the following input to the Ministry of Education as part of its 2019-20 Education Funding consultation process. Please note that given the focus of our campaign, our input will be exclusively focused on education funding for schools as infrastructure.



### **Efficient Price Setting**

We recognize the Ministry of Education as the system funder and steward. Therefore, before focusing on setting efficient prices, we urge your government to adopt the following interrelated and interdependent principles that, according to the **2002 Rozanski Report**, (commissioned by PC Education Minister, Elizabeth Wittmer) **must** guide all funding for publicly funded schools and education in Ontario:

**"Adequacy.** The goals of high program quality, high levels of student achievement, and continuous improvement in both will not be met, without a concomitantly high level of public investment. While financial support is not the only kind of support needed, it is important that it be adequate to the objectives school boards, teachers, and students are being asked to achieve.

**Affordability.** I tend to agree with those who say we cannot afford not to provide adequate funding to meet our goals for public education. Our children deserve no less; our economic future requires no less. But education is only one public priority, and taxpayers' pockets are not bottomless. The Province and the education community must engage in a continuous dialogue and a continuous process of assessing need, determining the appropriate level of funding to meet that need, then assessing results, including levels of student achievement, and reassessing need and the appropriate level of funding.

**Equity.** Equity means fairness. All Ontario students deserve equitable access to education and to the financial resources necessary for a high-quality education. Equity is not equality. Equality is not always equitable. One size does not fit all.

**Stability.** To plan for continuous improvement, boards and schools need to be able to count on a stable and predictable education funding system. When boards and schools are issued a new or an expanded mandate, they need assurances that they will also be given time to build the capacity to implement the change and resources that are adequate to meet the new demands.

**Flexibility.** Ontario is a vast and diverse province, and the needs of students in one board's jurisdiction are not necessarily the needs of those in another. The funding system should be both flexible and adaptable to allow boards and schools a certain amount of discretion in assessing local needs and spending part of their funding allocation to address those local needs.

**Accountability.** In the context of Ontario's publicly-funded education system, reciprocal accountability means that every demand by the public and the Province for improved performance involves a responsibility to provide appropriate resources to meet the demand, and that every investment accepted requires school boards, principals, teachers, and other staff to demonstrate accountability for using those resources efficiently and effectively for the purpose intended."



On the topic of efficient price-setting, we would urge your government to implement a new approach to school closures that is not focused on utilization rates but, instead, determines the importance of a school to its surrounding community and considers the implications for student access to programs and commute times. If a school is open, then its capital costs and operational maintenance costs must be <u>fully funded</u> by the provincial government, regardless of the utilization of that school. Additionally, the condition of a school relative to other schools nearby must be a consideration in any acceptable new approach to school closures. To ensure efficient use of renewal funding by school boards, school boards ought to be incented to keep a school in a relatively good state of repair open instead of a nearby one in a relatively poor state of repair.



### **Outcomes-Based Funding**

We applaud a move to outcomes-based funding relative to ensuring **all** publicly funded schools in Ontario are safe, healthy, well-maintained buildings and that the \$15.9-billion of disrepair that has been allowed to accumulate in schools is quickly eliminated. We urge your government to take the following steps to ensure that the taxpayer dollars invested in our publicly funded schools are used efficiently and achieve the desired outcomes:

Develop a standard of good repair for all of Ontario's publicly funded schools. Without a defined and commonly understood metric for what school conditions are acceptable in Ontario, there is no reasonable way to assess the outcomes of provincial funding for school infrastructure. Therefore, the starting point for your government must be to develop a standard of good repair for all Ontario's publicly funded schools. This standard must take into consideration not only Facilities Condition Index (FCI) data but also issues such as:

- Water quality
- Air quality
- o Vermin
- o Mold
- Asbestos
- o Fire and electrical code
- Temperatures of classrooms

Furthermore, these standards must be applied not only to permanent school buildings but also to **portables**, which often end up being on a school site for over a decade, instead of as a temporary measure, as originally intended.

Release annual updates on school disrepair data. In 2016, the provincial government began releasing disrepair data on a school-by-school basis for the general public to see. In November 2017, the provincial government updated that disrepair data. In order to measure the outcome of provincial funding for school infrastructure, your government must continue to collect and publicly release disrepair data for every publicly funded school in Ontario. Furthermore, we urge your government to:

- Release disrepair data by school board and by riding
- Begin collecting and releasing disrepair data for all portables on school sites.

Commit the funding required to eliminate the \$15.9-billion of disrepair in Ontario's publicly funded schools. Economist Hugh Mackenzie's report, entitled: "Ontario's deteriorating schools: The fix is not in" confirms that despite the significant increase in provincial funding for school renewal since 2015, \$1.4 billion/year is simply not enough to make up for the 20 years when provincial funding was a mere fraction of what it ought to have been – not only for renewal but for school capital projects and operational maintenance in schools. In fact, the report highlights that even with current increased provincial funding levels for school renewal, the repair



**backlog will continue to increase.** Clearly, this outcome is not desired and we would expect your government to take the following bold funding steps to truly fix Ontario's schools and achieve the outcomes deserved by the 2-million students who spend their days in school buildings:

- a. **Keep special School Condition Improvement (SCI) funding at \$1 billion per year** until the repair backlog is gone.
- b. Increase annual School Renewal Allocation (SRA) funding from the current \$357 million per year to \$1.7 billion per year, and maintain that funding at 3% of the replacement value of Ontario's schools to conform to the generally accepted level of renewal funding required to keep schools in a state of good repair.
- c. Create a new and separate capital stream of funding to replace the 346 school buildings across the province determined to be too expensive to repair as of the most recent provincial review cycle; an estimated \$3.9 billion one-time capital injection amortized over 40 years would result in a new budgetary expense of \$100 million per year.
- **d.** Increase the current operational maintenance budget by \$165 million per year (an 8.7% increase from current levels, based on industry averages) and ensure that the formula used to determine this annual figure explicitly recognizes the underlying drivers of differences in operating costs for schools in the province including: labour costs in the community, heating costs and climate, age & design of school buildings.

Therefore, to eliminate the \$15.9-billion of disrepair in Ontario's publicly funded schools, which surely must be desired outcome, your government must maintain the existing special SCI funding at \$1-billion/year until the repair backlog is eliminated; and also maintain existing funding for renewal, amortized costs of building new schools, and operational maintenance costs.

As well, your government must commit to the following **new annual funding**:

- + an additional \$1.3 billion/year in renewal funding
- + an additional \$100 million/year to cover amortized cost of rebuilding 346 schools
- + an additional \$165 million/year for operational maintenance in schools
- **= AN ADDITIONAL \$1.6 BILLION OF ANNUAL FUNDING** until the \$15.9 repair backlog is eliminated and the \$1 billion of SCI funding can be redirected

The \$15.9-billion of disrepair that plagues Ontario's publicly funded schools has accumulated over twenty years so is not realistically going to be solved overnight. However, we look to your provincial government to take the bold steps to invest in our publicly funded schools as critical infrastructure and, in so doing, make a critical investment in our youth. We cannot lose another generation of students learning in abysmal learning conditions.





#### **Accountability and Value-For-Money**

Reactive repairs waste taxpayer money. As true conservatives, we know that you will understand how much waste occurs when repairs and maintenance of publicly funded assets are done reactively – instead of proactively. Every homeowner knows that if you wait to replace your roof until the roof is actually leaking, the roof job is a much more expensive undertaking than to have simply replaced your roof proactively. Complications such as water damage, rodents and mold can significantly add to the overall expense. Sadly, because of the chronic and gross underfunding of school repairs for two decades, school boards are in a position that the majority of repairs are done reactively. We know that your government will recognize the waste in that approach and we urge you to please take the bold steps needed (as outlined in the above section entitled, "Outcomes Based Funding") to significantly increase funding by \$1.6-billion/year – on top of the current funding - to eliminate the \$15.9-billion of accumulated disrepair in Ontario's publicly funded schools as quickly as possible.

With power comes responsibility and accountability. In 1998, Mike Harris' PC government amalgamated school boards and implemented a new funding formula, with school boards relying exclusively on the provincial government for funding. In 2002, the Rozanski report, commissioned by the PC government, identified that \$5.6-billion of disrepair had accumulated in Ontario's publicly funded schools since the provincial government took over education funding. Furthermore, the Rozanski report identified that the yearly funding provided by the provincial government to school boards for school renewal was less than 1% of the value of the current replacement value of schools, even though established guidelines recommended that governments provide a minimum of 1.5% - 4% of the current facility replacement value of a building for renewal needs each year. The Liberal governments that held power for the 15 years after the Rozanski report allowed the \$5.6-billion of disrepair in Ontario's publicly funded schools to **triple** to \$15.9-billion.

Despite the reality that provincial funding to school boards for school repairs and maintenance has been chronically and grossly inadequate and unstable, these same provincial governments failed to take accountability for the resulting disrepair, instead blaming school boards. We urge your government to take accountability and responsibility for these important public assets called schools and to allocate the additional \$1.6-billion/year needed — on top of the current funding — to ensure that every one of Ontario's publicly funded schools is a safe, healthy, well-maintained building.



### Other Education Funding Efficiencies

We appreciate that your government wants to continually evaluate opportunities to streamline and become more efficient and more effective. With this in mind, we urge your government to:

**Update the provincial regulation that guides the collection and use of Education Development Charges** (EDCs). This provincial regulation is outdated and we urge you to update it such that developers contribute to the local publicly funded school infrastructure from which they ultimately profit. We look forward to a time when developers, who clearly profit from choosing to build in communities with "good local publicly funded schools" and "good transit", are contributing to the public school infrastructure from which they profit.

**Continue to pursue the use of schools as community hubs.** While complex and involving multiple levels of government and multiple stakeholders, we would make the following recommendations:

- 1. Allocate the renewal and operational maintenance costs in proportion to usage by the school boards, municipalities, various provincial ministries, and various federal ministries that use a given school asset and its surrounding green space as a Community Hub.
- Design and build new schools with the foresight and intention to use these public assets as Community Hubs in the future, weighing the costs and benefits of building for Community Hub use vs. retrofitting later.

Thank you for the opportunity to provide input to education funding for the 2019/20 school year. We hope to also have the opportunity to present to the Committee on January 15, 2019, after having submitted a request to this effect. We also very much look forward to our meeting with Education Minister Thompson on January 7, 2019.

Kind regards,
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