

Reading Rozanski: A guide to the report of the Education Equality Task Force 2002

by Hugh Mackenzie

The release of the much-anticipated report of the Education Equality Task Force, chaired by Guelph University President Mordechai Rozanski, will alter fundamentally the debate over elementary and secondary education funding in Ontario.

Even on the cover page of its report, the Task Force sets out clear ground rules for thinking about education funding in Ontario. The title of the report itself, "Investing in Public Education: Advancing the Goal of Continuous Improvement in Student Learning and Achievement" delivers the message that the overriding issue is adequacy. And by adding the year "2002" to the name of his Task Force, Rozanski drives home another key point — that monitoring of the funding system must be continuous.

In its overall message, the Report is a vindication of the hundreds of thousands of parents, students, school officials and teachers who have been highlighting the stresses imposed on the system by inadequate funding.

For years, critics have been saying that more than \$2 billion has been cut from the system under the Conservative Government. The specific recommendations made by Rozanski would add approximately \$2.1 billion to total funding.

Critics have drawn attention to the double standard in the system that demands accountability from teachers, school boards, students and administrators but requires no accountability at all from the Provincial Government for the adequacy and performance of the funding system as a whole.

Rozanski addresses that issue directly, recommending an annual review of the adequacy and performance of the funding system, and a regular — every five years — review of the fundamentals of the funding formula.

Needs improvement

There are two major areas of disappointment in the report.

First, although the report acknowledges that there are important issues to do with the fundamentals of the funding formula, it does not extend its review to any of those fundamental issues.

Two of these areas of inadequacy have particularly serious implications for the large urban school boards that have been placed under extreme financial pressure by the funding formula. The massive underfunding of the so-called Learning Opportunities Grant — the grant intended to provide extra resources for children at risk because of socio-economic factors — is only partially addressed in the report. And the report does not address the fact that the original 1997 base figure for school operations was below the average cost of school maintenance in the province and substantially below actual costs in large urban areas.

With respect to school operations the report does recommend catch-up for cost escalation since 1997. In addition, Rozanski validates concerns about the maintenance backlog in the school system and recommends initial funding for a program to catch up on deferred maintenance.

Other areas of controversy in the formula such as vice-principals, librarians, education assistants, class sizes and specialist teachers at the elementary level are not addressed.

Likewise, a number of issues that go to the question of what constitutes education for funding purposes are not addressed in specific recommendations.

Even here, however, the message in the report for the longer term is positive. These issues are not dismissed. They are acknowledged as legitimate, and deferred for further review.

Second, the report was extremely cautious on the question of timing. While it calls for immediate help to enable school boards to negotiate with their employees this year, most of the increased funding recommended in the report will flow over a three-year period, beginning next year. This is cold comfort to school boards that are struggling right now, and raises questions about the legitimacy of the budget-cutting exercises imposed by the Provincial Government on the Toronto, Ottawa and Hamilton school boards earlier this year.

Flawed funding formula

The primary focus of the report is on updating the benchmark values that drive the funding formula.

The funding formula does not provide enough funding to enable boards to pay the teachers they are required to employ to meet the class size requirements. The report recommends \$366 million to update the teacher salary component of the formula to 2001-2 salary levels, and a further \$93 million to update non-teaching salaries to that level.

It recommends \$170 million to fund employee benefits to a level that reflects actual costs.

It calls for increases in funding for computers and supplies (\$81 million), non-salary school operations (\$111 million), transportation (\$80 million), school renewal (\$25 million) and new pupil places (\$39 million) to

reflect increases in costs since the benchmark amounts were established.

For the current year, 2002-3, the report recommends an allocation of \$70 million to cover cost increases between 2001-2 and 2002-3 together with additional funding to cover salary increases in the system in the current school year. While Rozanski does not recommend a specific amount of funding, the current pattern of public sector settlements — 3% increases in total compensation — suggests additional funding of \$330 million will be required.

These changes, if implemented, would provide real relief to school boards that have been forced to cannibalize important services and reduce standards in order to keep core functions operating.

But Rozanski doesn't stop there. Although he acknowledged that time and resource limitations prevented a fundamental review of the formula, the report recommends enhancements to the formula in several key areas: Special education is in line for \$269 million in new funding. The evident inadequacies in funding for English and French as second languages are addressed, with \$65 million in new funding.

Small schools in one-school communities and remote and rural areas would be protected, with \$50 million in additional funding. It is important to note, however, that this funding will do nothing to protect smaller neighbourhood schools in urban areas.

The portion of the Learning Opportunities Grant that is driven by the demographic characteristics of students — household income; household structure (single-parent or two-parent); and ethnicity, for example — is recommended for a \$50 million increase. This would increase this portion of the grant by nearly 25%. However, it still leaves it \$200 million short, in 2002-3 dollars, of the \$400 million recommended by the Government's expert panel on the grant in 1997. This shortfall has particularly significant consequences for students in large urban areas.

The problems faced by school boards with declining enrolment is acknowledged with an increase (\$5 million) and extension in the declining enrolment grant.

And the report recommends a first step in addressing the physical deterioration of our schools with new funding of \$50 million for school renewal and \$200 million for catch-up on \$2 billion in deferred maintenance. However, in deciding not to address the adequacy of the original 1997 benchmark for school operations costs, the report steps back from addressing the primary cause of the deferred maintenance problem.

These extensions of the formula add a further \$689 million in new funding, for a total of roughly \$2.1 billion.

Other recommendations

Some of the recommendations without specific price tags are just as important. These include:

- Development of publicly accountable mechanisms for reviewing and updating benchmarks annually
- A comprehensive review of the formula every five years
- Multi-year funding
- A review of the funding formula for children at risk (the Learning Opportunities Grant)

- An increased focus on funding to support readiness to learn, including early childhood education, and recognition of the fact that schools may need to deliver programs that fall outside the strict definition of “education” to achieve learning readiness goals
- Coordination of efforts by the Federal Government and the Province to address the needs of aboriginal students
- Establishment of standards for special education, and funding to enable boards to meet those standards

Grading Rozanski

No report is perfect. And since this is an education report, it is impossible to avoid the temptation to assign grades.

For addressing the issues raised by the failure of the funding formula to keep pace with cost increases, an A+. The report fully addresses the issues of cost-based erosion in funding.

For addressing the fundamental issues of formula design, a C with an acceptable explanation — not enough time. The report makes a start on key issues like special education, funding for children at risk and the deferred maintenance backlog, but leaves much of the fundamental review that is needed for the future.

For setting out expectations for the future, an A. The report makes it clear that the fund-

Task Force Recommendations Summary (in millions of dollars)

Grant	Updated benchmark funding to reflect cost increases	New Funding	Notes
Foundation	477		Funding for existing teachers; inflation adjustment
Special Education	88	269	Cost adjustment and funding for approved but unfunded support
Language	25	65	Cost adjustment and FSL/ESL increases
Geographic -- Remote and Rural	13	50	Cost adjustment and small schools increase
Geographic -- Small Schools			
Learning Opportunities	19	50	Cost adjustment and enhanced demographic component
Adult and Continuing Education	8		Cost adjustment
Teacher Compensation	30		Funding for existing teachers
Early Learning	1		Cost adjustment
Transportation	80		Cost adjustment
Decling Enrolment Adjustment		5	Enhancement
Administration & Governance	40		Cost adjustment
School Operations	229	250	Cost adjustment and school renewal
Salary increases	326		Estimated cost of 2002-3 salary increases (3% of total compensation)
Increases for 2002-3	70		Cost adjustment for 2002-3 for non-salary items
	1,406	689	

ing formula's narrow definition of education is a legitimate problem, and directs the Government to address it. Importantly, the report also underlines that funding adequacy is not an issue that one can address once and forget, that it must be monitored and re-evaluated constantly.

For imposing a sense of urgency on the Government to respond to the funding crisis it has created, a D. Funding inadequacy is not an abstract problem. For most of the school boards in the province, and for the vast majority of the students in the province, it is a here and now crisis. School boards are cutting valuable programs now, that could be funded under Rozanski's recommendations. The Provincial Government's Supervisors are imposing cuts in programs that would be well within board budgets in the funding world according to Rozanski. Yet Rozanski recommends a lengthy three-year implementation period and is silent on the issue of avoiding unnecessary short-term cuts.

What's next

The Report of the Education Equality Task Force — 2002 puts the ball clearly in the court of the provincial government. It validates the concerns that have been raised about the adequacy of the Provincial funding formula. It addresses fully the issues of erosion in benchmark values that have pushed dozens of school boards to the brink of crisis. It legitimizes the many fundamental issues in benchmark design and the definition of education that have been raised by education activists across the political spectrum. It makes it clear that funding adequacy cannot be a one-time thing. And it begs the question of transition

from the current formula to Rozanski's enhancements.

The appointment of Mordecai Rozanski and his Task Force were greeted with considerable skepticism by many in the education community in Ontario. In sum, the report demonstrates that skepticism was unfounded.

Now the focus shifts to the Government of Ontario. The Premier and the Minister are making the right positive noises about the report. But on the fundamental issue of funding, the jury is still out. At the same time as the Minister of Education and the Premier is raising concerns about the Province's fiscal capacity to implement the recommendations in the report, the Minister of Finance is digging a deeper fiscal hole for the Government by committing to further tax cuts.

Rozanski has confirmed that the education system is in a financial crisis caused by the inadequacies of the funding formula. The need for new cash is immediate. Boards across the Province face negotiations with their employees without sufficient funding. Further, many boards are currently cutting important programs because of lack of funding. Even if full implementation is delayed, transitional funding must be provided to avoid the absurd situation of cutting programs for which there will be sufficient funding available within two to three years.

The Rozanski report demands more than rhetorical endorsement. Its implementation will require a fundamental change in the Government's budgetary strategy. The millions of Ontarians who are welcoming Rozanski's recommendations are waiting.

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