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Elementary and Secondary
Education Funding in Ontario 2002-03**

By Hugh Mackenzie

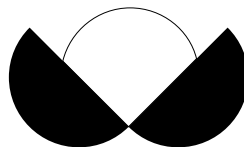
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Introduction and summary

The wind-down into the summer break period is usually a period of calm in the education system in Ontario, but not this year.

Four years after the Conservative Government's wholesale take-over of elementary and secondary education in the province and after years of steadily eroding education funding, the financial crises facing school boards across the province are all over the front pages of the newspapers and leading the evening newscasts.

Last year, boards in Ottawa and Windsor stood out in refusing to cut important programs in the face of dramatically reduced funding, and in doing so loudly and publicly. This year, boards in London, Hamilton, Toronto and many other parts of Ontario have thrown in the towel in their efforts to work behind the scenes to squeeze more funding from the government, and have either passed deficit budgets or refused to pass a balanced budget containing program cuts which they consider to be unacceptable. Other boards have passed balanced budgets with no provision for salary increases for 2002-3. And still other boards have passed balanced budgets under protest, including a condemnation of the funding formula in their budget motions.

The Government appeared to have realised that it had a problem on its hands, when Premier Ernie Eves' first Speech from the Throne promised financial help for the education system and announced a review of the funding formula for school boards.

The General Legislative Grants for 2002-3, announced on May 21, 2002, were touted by the Government as providing the relief school boards needed.

Any optimism generated by those announcements, however, evaporated very quickly.

On closer inspection, the promised funding relief turned out to be illusory. An analysis of the funding announcement reveals that, when cost increases and enrolment changes are taken into account, the GLG allotment to school boards left funding at least \$144 million short of what would be needed to avoid further cuts in programs for 2002-3.¹

The Provincial Budget provided a small amount of additional formula funding — \$25 million for school renewal; \$20 million for transportation — but did nothing to get at the core problems created by years of funding cuts.

Analysis of school board funding for 2002-3, including the formula improvements announced in the budget, shows that funding for elementary and secondary education on a real, per student basis has been cut by between more than \$2.2 and \$2.5 billion under the Conservative Government. That is, accounting for enrolment change and cost increases, 2002-3 funding would have to be increased by more than \$2.2 billion to match its 1994 pre-Mike Harris level.

Since 1997 — the last year before the introduction of the funding formula — cost-and-enrolment-adjusted funding for school operations alone has declined by \$1.16 billion. 37 boards have lost a total of \$1.28 billion, offset by a gain of \$114 million for the 35 boards that received increases.

Four of the 72 boards in Ontario, representing 22.4% of the elementary and secondary students in the province, will receive less funding per student in 2002-3 than they did in 1997. Once cost increases are taken into account, the analysis shows

that 37 of the 72 boards will receive less per student in 2002-3 than they did in 1997.

On average, the boards losing funding on a cost-adjusted basis will receive \$763 per student less (\$6,581 down from \$7,344). 83.7% of the students in Ontario attend school in boards whose funding has gone down.

Of the boards experiencing funding cuts, the Toronto and Ottawa-Carleton public boards have the highest profile. Other large urban public boards have experienced substantial funding cuts, including all of the public boards in the Toronto, Hamilton, London, Windsor and Waterloo. While Catholic boards have generally fared better than public boards, a number of Catholic boards have had to absorb substantial cost-adjusted losses in per-student funding. These include York Catholic, Windsor-Essex Catholic, Hamilton-Wentworth Catholic, Ottawa-Carleton Catholic, Dufferin-Peel Catholic and Toronto District Catholic.

In general, the cuts have been concentrated in large, urban public boards in southern Ontario. The consequences for board finances have become increasingly severe, and more obvious in the years since the formula was introduced. In 2000-1, school board operating deficits totalled \$37 million.

For 2001-2, the Ontario Public School Boards Association estimates that half the boards in the province will finish the year in deficit.

Our analysis suggests that additional funding of \$1.28 billion would be required to eliminate the shortfall for 2002-3 compared with 1997.² While these are substantial sums, they amount to approximately half of the funding cut since 1995.

Stresses on Education Funding

Although this analysis focuses on the Government that bears direct political responsibility for the financial crunch currently faced by elementary and secondary education in Ontario, it is important to recognize that the system was already in a weakened state when the Harris Government was elected in 1995.

More than 25 years of constraints in provincial grants to school boards had reduced the provincial share of education funding from the Davis era policy goal of 60% (with the remainder coming from property taxes) to 40%. Excessive reliance on local property taxes gave rise to substantial inequities in funding and programming among school boards. The Rae Government's Social Contract cuts had squeezed school board budgets; its wage and salary constraints had undermined morale among the school system's teachers and support staff.

While the election of the Harris Government ushered in a new attitude towards public education – one verging on hostility – it did nothing to alter the underlying pressures on the school system that give rise to increased costs.

Enrolment growth

From 1994, the last school budget year before the election of the Harris Government in 1995, to the 2002-3 school year, elementary and secondary enrolment in Ontario is projected to increase by 110,000 or 6.8%, from 1.893 million to 2.003 million.

Enrolment increased by 3.7% from 1997, the year spending was frozen pending the introduction of the new funding formula, to 2002-3.

Cost increases

Even in a low-inflation environment such as has prevailed since 1994, the cumulative impact of cost pressures can have a substantial impact.

The key question for any analysis of education spending is how to measure the impact of cost pressures on school board budgets. One approach – the one used in last year’s OAB Education Finance Report – is to use Statistics Canada’s Consumer Price Index for Ontario. While this index has the virtue of being easily understood and readily available, that fact that it measures only changes in the prices of goods and services raises questions about its value in measuring impacts on school boards, 82% of whose expenditures are not on goods and services, but on salaries and wages.

To deal with the issue, this year’s analysis introduces a measure of costs that takes changes in salaries and wages directly into account. Statistics Canada data on average weekly salaries and wages are used to measure employment cost impacts. The impact of goods and services cost increases is measured using the Consumer Price Index.

Forecasts of salaries and wages for 2001-2 and 2002-3 use actual teachers’ salary settlements for those years. Consumer Prices are forecast to increase by 1% in 2002 and 2.2% in 2003, consistent with major bank economic forecasts.

The approach is discussed in more detail in Appendix I.

Using this measure of costs, we find that the cost base for school boards in Ontario has increased by 14.9% since the year before the formula was introduced in 1997, and by 20.9% since 1994, the last school year not affected by the policies of the Harris Conservatives.

Impact of cost pressures on funding under the Conservatives

These changes have had a substantial impact on school boards’ ability to deliver services to students in Ontario.

In 1994, before the Conservative Government’s education funding cuts began to take effect, school boards received a total of \$12.84 billion from property taxes and provincial grants, and generated sufficient other revenue (approximately \$545 million) to support total spending of \$13.42 billion.

In 2002-3, total revenue from the funding formula is projected to be \$14.26 billion.³ Excluding temporary, one-time-only funding and deficit financing, we estimate that “other” revenue will be \$390 million, for total resources available to school boards of \$14.65 billion.⁴

Grants and taxes appear to have increased by \$1.4 billion, before taking into account enrolment changes and cost increases. When these factors are taken into account, however, we estimate that it amounts to a cut of \$2.16 billion.

However, that is not the whole picture. It may be misleading to restrict the analysis to grant and tax revenue because other revenue sources available to school boards have also been affected by provincial government policies. Including “other revenue” as reported in 1994 and projected for 2002-3 shows a increase in funding from \$13.4 billion to \$14.65 billion before costs and enrolment are taken into account, and a cut of \$2.5 billion after the impact of those factors is considered.

Allowing for enrolment growth and board cost increases, funding available to school boards should be \$17.2 billion in 2002-3 rather than the projected total of

\$14.65 billion, to enable boards to maintain their 1995 level of programming.

To keep up with cost changes since the Harris Government was elected, total funding (grant and tax plus “other”) for 2002-3 should be at a level of \$8,564 per student. Forecast actual funding is \$7,313 per student.

Education funding since 1997 under the funding formula

Data released by the Government along with the General Legislative Grants make it possible to measure in some detail the impact of the funding formula on individual school boards, and to determine patterns in the impact of the formula on Ontario school board funding for operations.

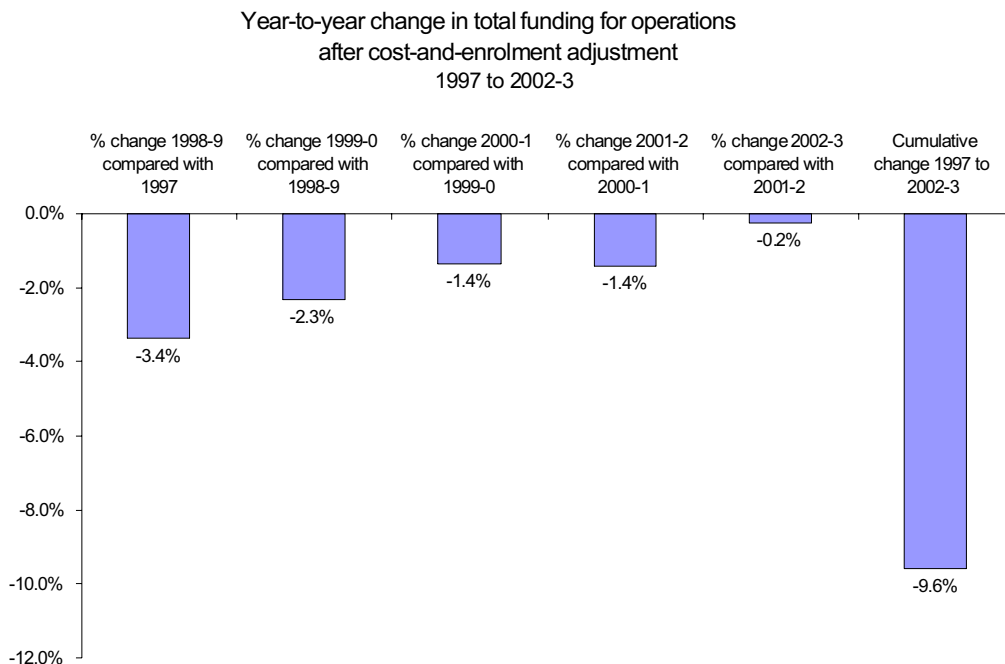
Since 1997, the reference year for the funding formula, enrolment has increased by 3.7%, and board costs by a total of 14.9%. This compares with an increase in funding for operations of 10.4%. The funding for-

mula produces less, after correcting for costs and enrolment growth, than school boards received in 1997.⁵

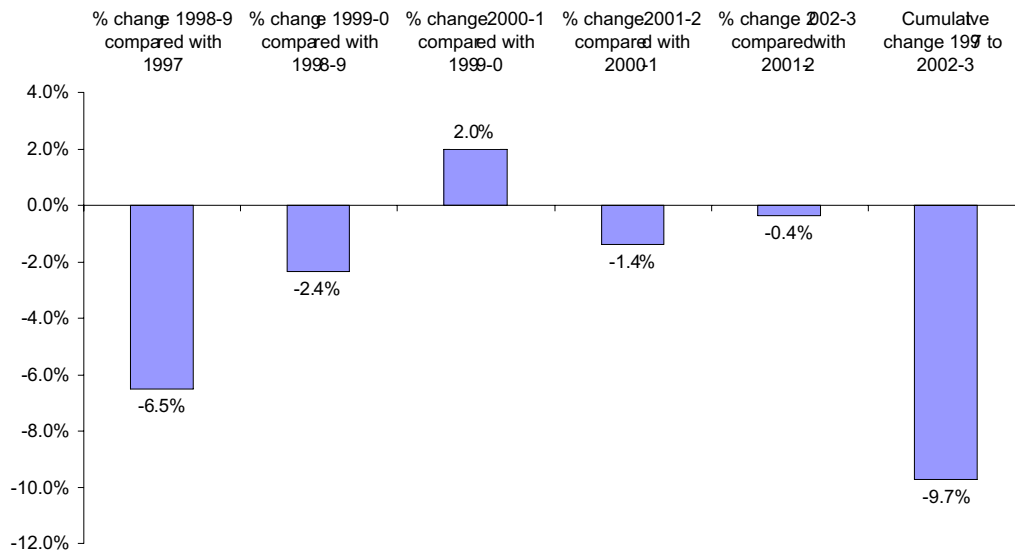
The funding shortfall since 1997 – the additional funding that would be required to give school boards the same total operating resources per student that they had before the funding formula was introduced – amounts to \$1.2 billion.

These funding shortfalls have continued to build throughout the five-year life of the funding formula. Total funding available under the funding formula in its first year (including temporary mitigation funding) fell behind cost and enrolment growth by 3.4%. That reflects the fact that the formula was designed to reduce total funding for education.

However, having taken control of education and implemented its inflexible funding formula, the Government has failed to adjust funding to keep up with enrolment and costs. An analysis of year-to-year changes under the funding formula shows that total funding has fallen behind enrol-



Year-to-year change in formula funding for operations
after cost-and-enrolment adjustment
1997 to 2002-3



ment growth and cost increases in every year of the formula's operations.

A review of formula funding for operations only – i.e. disregarding temporary transitional or mitigation funding – shows a much more drastic cut in the first year, between 1997 and 1998-9. While total funding for operations declined by 3.4%, formula funding (excluding temporary transitional funding) declined by 6.5%.

The formula has been adjusted to provide for more than enrolment growth and cost increases only once, when the government introduced a major revision to the formula for funding school space. That shows up as a 2% increase in cost and enrolment adjusted funding for 2000-1 compared with 1999-0.

In 2002-3, the increase in operating formula funding is projected to fall 0.3% behind enrolment and costs; 0.4% if temporary funding for boards with declining enrolment is excluded.

Both last year and this, the Government placed a great deal of emphasis on the in-

creased flexibility it provided to boards by allocating funds for "local priorities". These increases (\$200 million in 2001-2 and another \$200 million increase in 2002-3) are illusory.

This funding is not in addition to increases in base funding to reflect cost increases. It is in lieu of base increases.

- The "foundation grant", which covers most basic classroom functions, was not adjusted to reflect cost changes.
- The special education grant increased at half the rate of enrolment growth, and includes nothing for cost changes.
- The school operations grant was not adjusted to reflect cost changes.

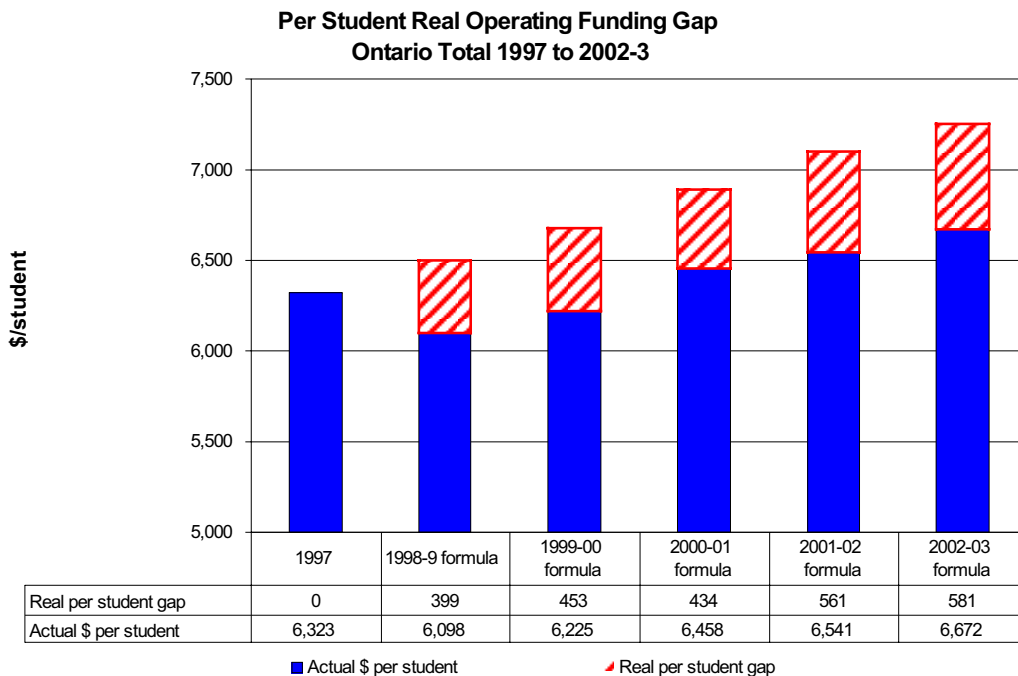
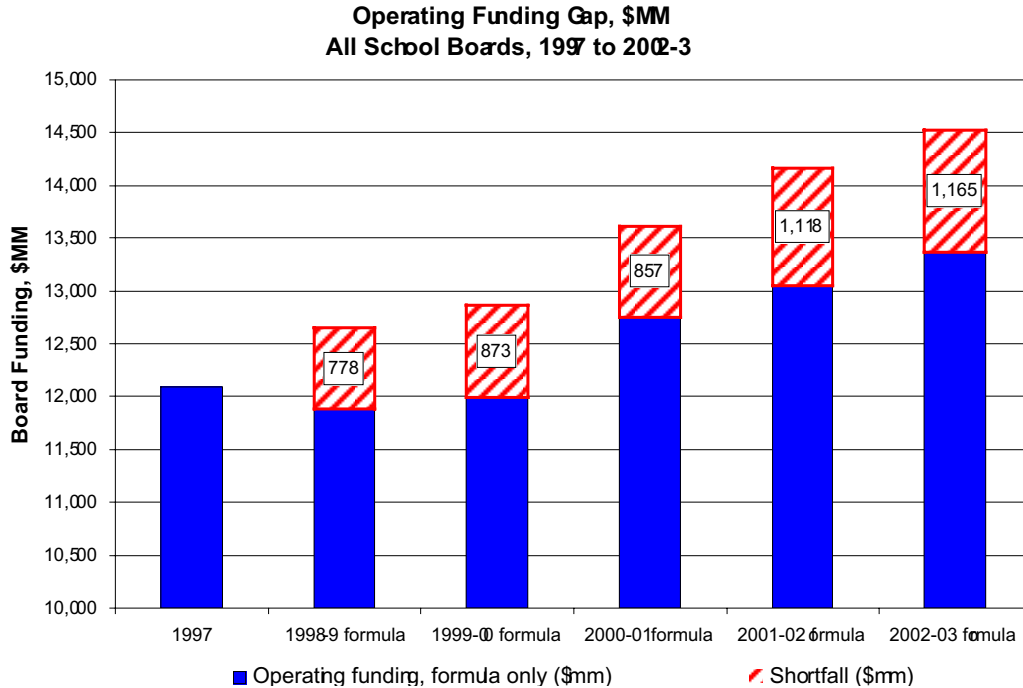
The "Local Priorities" funding reflects local priorities only to the extent that school boards can choose among under funded formula categories for remedial funding. These will not be easy choices.

Board-by-board revenue under the funding formula

School board operating funding for 2002-3 shows an increase of \$1.27 billion since 1997, before enrolment changes and cost increases are taken into account.⁶ After ad-

justing 1997 spending for enrolment growth and inflation, however, that increase turns into a loss in funding of 1.165 billion.

Funding per student increased by \$349 before adjusting for costs. After adjusting for costs, funding per student is down by \$581.



Experience with the funding formula varies among boards. Of the 72 boards funded by the Provincial Government, 35 boards, serving 16% of the students in the province, experienced total funding increases after adjusting for costs and enrolment change. 37 boards, serving 84% of the students in the province experienced decreases.

The boards experiencing increases saw funding per student increase by \$1,158 in nominal terms, \$349 after allowing for cost increases. The total of these increases, after allowing for costs and enrolment change, is \$114 million.

In boards experiencing cuts, funding per student increased by \$188 in nominal terms but declined by \$763 per student after allowing for cost increases. The cuts for these boards, after allowing for costs and enrolment change, total \$1.28 billion.

There are clear patterns in the impact of the funding formula on different types of boards: between public and Catholic boards; and between urban and non-urban boards.

Public vs. Catholic

Funding per student

- Public boards, \$6,648, an increase of \$103 from 1997.
- Catholic boards, \$6,724, an increase of \$887 from 1997.

Funding change, including impact of increased costs

- Public boards, a loss of \$875 per student.
- Catholic boards, a gain of \$50 per student.

Total funding, adjusted for cost and enrolment change

- Public boards, a loss of \$1.20 billion.

- Catholic boards, a gain of \$32 million.

Since 1997, Catholic boards have gained funding, relative to public boards. However, they have gained only by virtue of not having lost ground, when enrolment and costs are taken into account.

Major urban vs. rural

Funding per student

- Major urban boards in Southern Ontario, \$6,467, an increase of \$71 from 1997.
- Other boards, \$6,832, an increase of \$781 from 1997.

Funding change, including impact of increased costs

- Major urban boards, a loss of \$872 per student.
- Other boards, a loss of \$107 per student.

Total funding, adjusted for cost and enrolment change

- Major urban boards, a loss of \$1.1 billion.
- Other boards, a loss of \$62 million.

GTA

- Funding per student, \$6,475, a loss of \$65 since 1997.
- Funding change, including cost impact, a loss of \$1,016 per student.
- Total funding, adjusted for cost and enrolment change, down \$884 million
- 69% of total loss in Ontario incurred in GTA.
- Two Toronto boards have lost \$563 million; remainder of GTA has lost \$321 million, representing more than 10% of their funding.
- Funding per student in the GTA is now below the provincial average.

Specific board impact, cost adjusted – public boards

- Toronto Board has lost \$1,979 per student (a total of \$544 million).
- Greater Essex County District School Board (Windsor), \$1,024 per student (a total of \$38 million).
- Hamilton, \$465 per student (\$26 million total).
- Ottawa-Carleton \$1,508 per student (\$111 million total).
- Peel, \$1,380 per student (\$169 million total).
- Halton \$660 per student (\$29 million total).
- York \$901 per student (\$85 million total).
- Durham \$343 per student (\$22 million total).
- Thames Valley District School Board (London), \$396 per student (\$31 million total).
- Waterloo Region \$492 per student (\$28 million total).

In the Minister of Education's home constituency, the Waterloo Region District School Board has lost approximately \$28 million.

Specific board impact, cost adjusted – Catholic boards

Although Catholic boards have, in general, gained from the funding formula, a number of Catholic boards have lost substantial funding.

- York Catholic has lost \$236 per student (a total of \$11 million).
- Windsor-Essex Catholic \$307 per student (\$8 million total).
- Hamilton-Wentworth Catholic \$283 per student (\$8 million total).

- Ottawa-Carleton Catholic \$216 per student (\$8 million total).
- Dufferin-Peel Catholic \$143 per student (\$12 million total).
- Toronto District Catholic, \$204 per student (\$19 million total).

2002-3 funding increase inadequate

The General Legislative Grants announcement provided for an increase of \$350 million in total school elementary and secondary education funding for 2002-3 compared with 2001-2. The further \$45 million in formula funding increases announced in the Provincial Budget for 2002-3 brought the total to nearly \$400 million.

This increase was clearly an improvement over previous years in which funding declined substantially, on a cost-and-enrolment-adjusted basis.

Indeed, the improvements in the formula fall just short of keeping pace with cost and enrolment increases since 2001-2. However, because many boards used temporary and non-recurring revenue sources to support spending above the amount provided for in the formula in 2001-2, the announced amounts are not sufficient to permit boards to avoid further program cuts.

And the increases do nothing to address the substantial funding shortfalls from prior years.

Even the \$400 million is somewhat misleading as an indicator of the Provincial Government's budget priorities. Half of the increase will come from increased revenue from local property taxes which are allocated to education under the funding formula. Only approximately \$200 million will come from provincial general revenues.⁷

Conclusion

Right from the beginning of the Conservatives' mandate, there has been a gap between rhetoric and reality when it comes to elementary and secondary education funding. The Harris Government's first Education Minister, John Snobolen, made headlines by stating the Government's intention to create a crisis in education funding.

The new funding formula was touted as a way to bring funding equity to school finances that had been distorted by differences in property tax wealth. What it delivered when it was actually introduced was the reduction in education funding called for in the performance contract of the then Deputy Minister, Veronica Lacey.

Unfortunately for students in Ontario's education system, however, the cuts did not stop there. The starting point for the funding formula represented a substantial cut. That much has been known for some time. However, the numbers reveal that funding has been cut further, on a cost and enrolment adjusted basis, in every year the funding formula has been in operation.

This has had two important consequences. First, the cut in funding has driven

boards across Ontario into financial crisis. The Ontario Public School Boards Association estimates that half its members will run deficits this year. Reserve funds are being drawn down to dangerously low levels. Facilities are running down. Programs are being cut. Schools are closing.

Second, the fact that the formula was not realistic to begin with, and has not been adjusted to keep up increasing costs and with changing levels of enrolment has undermined the credibility of the formula funding system itself.

The review of the formula to be conducted in the fall of 2002 is necessary, if overdue. However fact that the Government's funding for 2002-3 is not sufficient even to enable school boards to avoid further cuts while the review is under way means that the review will be taking place under a cloud of suspicion about the Government's sincerity.

Further funding increases of at least \$100 million are needed now, to stabilize the system, pending the review.

And in the longer term, substantial additional funding – more than \$2 billion – is needed to restore the damage caused by the Conservatives' education funding cuts.

Endnotes

- ¹ Hugh Mackenzie, "Ernie Eves' Short Life as a Departure from Mike Harris," Canadian Centre for Policy Alternatives, May 2002. <http://www.policyalternatives.ca/publications/comment42.html>
- ² This assumes that the boards that have gained funding on an adjusted, per student basis, would not have their funding reduced.
- ³ \$14.214 billion in formula funding in the General Legislative Grants announcement for 2002-3, increased by \$45 million, to reflect the increases in transportation (\$20 million) and school renewal (\$25 million) in the 2002-3 Provincial Budget.
- ⁴ As noted in Appendix I, for the purposes of this analysis, we estimate "other" revenue excluding temporary sources such as borrowing to fund operating deficits and drawing down of operating reserves. We use 1999-2000 "other revenue" as an estimate of the on-going "other" revenue potential of school boards. This year was chosen because most of the temporary "mitigation" funding for the transition to the new funding formula had been allocated by that time while reserve draw-downs and deficit funding had not yet become commonplace in board finances. Although data are not available to provide a more detailed breakdown, the decline in "other" revenue from \$545 million in 1994 to an estimated \$390 million in 2002-3 likely understates the extent of the decline in "other" revenue of school boards.
- ⁵ Funding for operations for 2002-3 includes the allocation of an additional \$20 million for transportation provided for in the 2002-3 Provincial Budget.
- ⁶ Data for operating funding for 2002-3 include each board's estimated share of the \$20 million increase in funding for transportation announced in the 2002-3 Provincial Budget. In allocating the \$20 million among boards, for the purposes of this analysis, each board was assumed to receive the same share of the \$20 million increase as its share of the total allocation for transportation in the 2002-3 General Legislative Grants announcement.
- ⁷ According to the Ministry of Finance (Budget Lock-up Briefing, 2002-3) direct transfers from the Province to school boards will increase from \$8.1 billion in 2001-2 to \$8.3 billion in 2002-3.
- ⁸ Ministry of Education, Elementary/Secondary Multi-Year Review provided to the Standing Committee on Finance and Economic Affairs by the Minister of Finance on February 27, 2002.

Appendix I – Data Sources and Methods

School board revenue and expenditure

In the debate that followed the publication of the first OAB Education Funding Report, the Government raised issues related to data and the method used to adjust expenditures to inflation. With respect to data, the Ministry produced new, lower, numbers for 1995 school board funding. This does not affect the board-by-board analysis, which is drawn directly from data released by the Ministry each year as part of the General Legislative Grant announcement. However, reduced base year numbers have the effect of making the increase in total current dollar spending appear larger and produces a lower estimated funding loss on a cost-and-enrolment adjusted basis.

In addition, the use of 1995 as the base year for the analysis of the impact of the Harris Government misses the impact of changes introduced in 1995 and reflected in the 1995 board expenditure data.

The data problem emerges because one set of numbers measures total board expenditures, while the other measures board revenue from property taxes and provincial education grants. Total expenditures are normally higher than revenue from

property taxes and general legislative grants, with the difference explained by:

- Net changes in reserves;
- Net Tuition Fees;
- Education Development Charges;
- Transition Funds;
- Undue Burden Grants;
- Misc. Federal and Provincial Grants; and
- Other local revenue sources such as facilities rentals.

The Ministry of Education’s Multi-Year Review of Elementary and Secondary education finances reports only a total for “other revenue”.⁸ No break-down of the “other revenue” line in the Review is currently available.

Using a new base year of 1994 to capture the full impact of Conservative education policies, the two sets of data are reconciled as follows:

One way to address the issue of “other” funding in the analysis would be to use grant and property tax revenue as the measure of board resources, ignoring other sources of revenue entirely.

This is the approach that underlies the Government’s response to our 2001-2 analysis. Using this approach generates an estimated shortfall since 1994 on a cost-and-enrolment-adjusted basis of \$2.2 billion.

The problem with this approach, however, is that it ignores the impact of funding changes generally on the total resources

Reconciliation of formula funding and total expenditure data		
	1994	2002-3
Grant & Tax Revenue	12,836	14,260
Other Revenue Reported, 1994	545	-
Less transitional revenue included in 2002-3		17
Total Revenue / Total Expenditures	13,381	
Other Revenue 2002-3 estimate (based on 1999-00, see below)		390
Revenue available to boards after adjustments	13,381	14,633

available to school boards. For example, it leaves out the implications for school boards of provincial government cuts in non-formula funding for school boards and in other areas of the provincial budget. For example, cuts in funding for Boards of Health have had implications for the resources available for joint programs with school boards.

The data supplied by the Ministry confirm this impression. Revenue from sources other than property taxes and the General Legislative Grant from the Province dropped sharply shortly after the Conservatives took office.

Use of total expenditure data, however, raises additional problems that must be addressed. Data for actual board expenditures are available only for the period up to the end of the most recent year for which audited statements are available. Total expenditures for later years must be forecast. In addition, total expenditure data by themselves overstate the resources available to boards on an on-going basis. Specifically, they include expenditures financed from one-time-only provincial grants, from temporary mitigation funding, from the widespread recent practice of drawing down operating reserves to avoid cuts and from deficit financing.

While these revenue sources are in fact sources of revenue for boards to finance expenditures, they are both temporary and expedient. It would distort the true picture if they were included in the revenue base for comparative purposes. To address this problem, our forecast of other revenue sources for boards should be adjusted to exclude these sources.

Developing an estimate of "other revenue" for 2002-3 is complicated by the fact that data for prior years include temporary

special purpose grants, transition funds, proceeds of reserve fund withdrawals and the proceeds of borrowing to fund operating deficits.

In the absence of the detail for other revenue in years before 2002-3 to use as the basis for the development of a more precise estimate of other revenue in 2002-3, other revenue for 1999-2000 used as the basis for the estimate. 1999-2000 was selected as the reference year because it is the first year in which substantial transitional funding was not provided by the Government. In addition, spending from reserves and deficit financing did not become widespread until after that date. Because 1999-2000 almost certainly includes some revenue from operating reserves and financing, however, using that year as the basis for an estimate for 2002-3 almost certainly overstates on-going other revenue and therefore understates the extent of the cost-and-enrolment adjusted funding cut.

Using the 1999-2000 level of \$390 million to forecast other revenue for 2002-3 yields an estimated funding loss since 1994, after adjusting for enrolment growth and cost increases, of \$2.5 billion.

Inflation adjustment

One of the criticisms levied at the 2001-2 OAB Education Funding Report was that the Consumer Price Index did not appropriately reflect changes in the cost base for school boards.

The principal argument against the use of the Consumer Price Index as the cost indicator is that a substantial proportion of school board expenditure consists of wages and salaries, not purchased goods and services.

Statistics Canada produces an annual index of elementary and secondary education costs. This index is not appropriate for this analysis, for two reasons. First, it is available only with a substantial time lag. Thus, in order to use the index as the basis for a forecast, data would have to be estimated from a second source, with consequent difficulties in interpreting the results. Second, because it is based on actual teacher salaries, the index itself is not independent of provincial government policies.

Despite these weaknesses, however, the index weights used by Statistics Canada can form a useful starting point for the construction of a forecast.

For Ontario, the index weights are as follows:

Teachers' salaries	73.4%
Other wages	8.6%
Goods & Services	18.0%

Using these weights and data available from Statistics Canada, we constructed an index which we believe better reflects the cost base faced by school boards.

Earnings of salaried employees were measured using Average Weekly Earnings for Salaried Employees, not including over-

time, produced monthly by Statistics Canada, and used as the basis for the index for teachers' salaries.

Earnings of hourly rated employees were measured using Average Weekly Earnings for Hourly Employees, not including overtime, and used as the basis for the index for non-teaching wages.

The index used for Goods and Services expenditures of Boards was the Consumer Price Index, Ontario.

The index for teachers' salaries was projected for 2001-2 and 2002-3 using the average of negotiated settlements for full-time teachers in Ontario, weighted by the size of the bargaining unit. The index for other wages was projected using the weighted average of negotiated settlements for hourly-rated board employees.

The Consumer Price Index was projected using an assumed inflation rate of 1.0% for 2002 and 2.2% for 2003.

Details of the resultant index appear in the table below.

For 1994 to 1997, the school financial year is a calendar year.

For 1998-9 to 2002-3, the school year runs from September to August.

School Board Cost Index								
	Weekly earnings		% change		Index			
	Salaried	Hourly	Salaried	Hourly	Salaried	Hourly	CPI	TOTAL
School Yr	Excl.o/t	Excl.o/t	Excl.o/t	Excl.o/t	wt 73.4%	wt 8.6%	wt. 18%	INDEX
1994	785.92	453.85			97.58	98.83	101.8	100.0
1995	804.95	459.18	2.42%	1.17%	100.00	100.00	104.3	102.4
1996	827.07	473.52	2.75%	3.12%	102.75	103.12	105.9	105.0
1997	824.40	477.11	-0.32%	0.76%	102.42	103.90	107.9	105.2
1998-9	846.59	503.78	2.69%	5.59%	105.17	109.71	110.0	108.1
1999-0	870.94	518.43	2.88%	2.91%	108.20	112.90	113.0	111.2
2000-1	900.19	528.29	3.36%	1.90%	111.83	115.05	116.9	114.8
2001-2			3.40%	3.40%	115.63	118.96	118.8	118.3
2002-3			2.20%	2.20%	118.18	121.58	121.0	120.9
Increase since 1994					21.1%	23.0%	18.9%	20.9%
Increase since 1997					15.4%	17.0%	12.2%	14.9%

2002 May Analysis of funding changes for 2002-3 -- 26/06/2002

Appendix II

**Formula Funding Detail, 2002-3 and 1997 compared
District School Boards**

	2002-3 projected enrolment	% of total enrolment	1997 Net Operating Expenditures Board Profiles	2002-3 projected funding, operations, including 2002-3 Ontario Budget impact	1997 adjusted to 2002-3 enrolment & costs	Gain (loss) in operating funding 2002-3 projected compared with 1997 actual	Gain (loss) 2002- 3 projected compared with 1997 adjusted for enrolment & cost
Algoma District School Board	12,667	0.6%	109,071,791	103,310,776	103,238,703	-5,761,015	72,073
Algonquin and Lakeshore Catholic District School Board	12,680	0.6%	71,616,354	90,505,419	87,152,686	18,889,065	3,352,733
Avon Maitland District School Board	18,749	0.9%	120,912,472	126,522,535	128,063,346	5,610,063	-1,540,811
Bluewater District School Board	21,523	1.1%	139,075,475	147,127,094	143,711,094	8,051,619	3,416,000
Brant Haldimand Norfolk Catholic District School Board	10,613	0.5%	45,412,109	68,001,693	64,231,505	22,589,584	3,770,188
Bruce-Grey Catholic District School Board	3,616	0.2%	23,876,352	27,791,346	24,668,556	3,914,994	3,122,790
Catholic District School Board of Eastern Ontario	14,343	0.7%	72,263,218	97,734,808	99,043,308	25,471,590	-1,308,500
Conseil scolaire de district catholique Centre-Sud	10,928	0.5%	68,522,895	90,868,437	85,374,281	22,345,542	5,494,156
Conseil scolaire de district catholique de l'Est ontarien	12,830	0.6%	94,714,551	98,115,036	94,950,778	3,400,485	3,164,258
Conseil scolaire de district catholique des Aurores boréales	557	0.0%		7,605,647	4,881,776	3,229,044	2,723,871
			4,376,603				
Conseil scolaire de district catholique des Grandes Rivières	8,825	0.4%		77,941,949	69,526,981	3,686,193	8,414,968
			74,255,756				
Conseil scolaire de district catholique du Centre-Est de l'Ontario	15,418	0.8%		117,794,791	115,224,804	19,393,001	2,569,987
			98,401,790				
Conseil scolaire de district catholique du Nouvel-Ontario	7,710	0.4%		68,176,386	59,951,459	1,591,525	8,224,927
			66,584,861				
Conseil scolaire de district catholique Franco-Nord	3,476	0.2%	27,501,358	30,889,455	27,477,668	3,388,097	3,411,788
Conseil scolaire de district des Écoles catholiques du Sud-Ouest	6,528	0.3%	46,198,393	52,840,253	52,200,048	6,641,860	640,205
Conseil scolaire de district des Écoles publiques de l'Est de l'Ontario	9,043	0.5%		72,588,749	75,503,714	17,755,012	-2,914,965
			54,833,737				
Conseil scolaire de district du Centre Sud-Ouest	5,779	0.3%	41,327,374	54,149,323	55,214,958	12,821,949	-1,065,636
Conseil scolaire de district du Grand Nord de l'Ontario	2,300	0.1%	23,058,113	26,316,041	24,133,239	3,257,928	2,182,802
Conseil scolaire de district du Nord-Est de l'Ontario	974	0.0%	7,796,712	12,110,847	9,256,699	4,314,135	2,854,149
District School Board of Niagara	43,363	2.2%	269,874,562	277,362,121	306,669,371	7,487,559	-29,307,250
District School Board Ontario North East	9,291	0.5%	86,543,634	79,486,252	81,104,044	-7,057,382	-1,617,792
Dufferin-Peel Catholic District School Board	81,748	4.1%	393,332,487	503,015,454	514,737,348	109,682,967	-11,721,894
Durham Catholic District School Board	24,735	1.2%	122,222,946	152,294,644	148,107,989	30,071,698	4,186,655
Durham District School Board	64,401	3.2%	336,927,048	402,140,883	424,257,745	65,213,835	-22,116,862
Grand Erie District School Board	29,556	1.5%	188,585,368	196,673,366	202,373,584	8,087,998	-5,700,217
Greater Essex County District School Board	37,533	1.9%	221,870,700	236,378,102	274,817,670	14,507,402	-38,439,568
Halton Catholic District School Board	24,278	1.2%	99,848,200	144,036,592	142,456,300	44,188,392	1,580,291
Halton District School Board	43,388	2.2%	242,994,508	268,664,569	297,294,354	25,670,061	-28,629,784
Hamilton-Wentworth Catholic District School Board	28,443	1.4%	148,218,704	182,016,349	190,073,145	33,797,645	-8,056,796

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**Formula Funding Detail, 2002-3 and 1997 compared
District School Boards**

	1997 per student	2002-3 per student	Gain/(loss) in per- student funding, 2002-3 compared with 1997	Gain/(loss) in adjusted per- student funding, 1997 adjusted to 2002-3 per student	Gain/(loss) in adjusted per- student funding, 2002-3 compared with cost-adjusted 1997
Algoma District School Board	7,090	8,156	1,065	8,150	6
Algonquin and Lakeshore Catholic District School Board	5,979	7,138	1,158	6,873	264
Avon Maitland District School Board	5,942	6,748	806	6,830	-82
Bluewater District School Board	5,809	6,836	1,027	6,677	159
Brant Haldimand Norfolk Catholic District School Board	5,265	6,407	1,142	6,052	355
Bruce-Grey Catholic District School Board	5,935	7,686	1,751	6,822	864
Catholic District School Board of Eastern Ontario	6,007	6,814	807	6,905	-91
Conseil scolaire de district catholique Centre-Sud	6,797	8,315	1,519	7,812	503
Conseil scolaire de district catholique de l'Est ontarien	6,438	7,647	1,209	7,401	247
Conseil scolaire de district catholique des Aurores boréales	7,625	13,655	6,030	8,764	4,890
Conseil scolaire de district catholique des Grandes Rivières	6,854	8,832	1,978	7,878	954
Conseil scolaire de district catholique du Centre-Est de l'Ontario	6,502	7,640	1,138	7,473	167
Conseil scolaire de district catholique du Nouvel-Ontario	6,765	8,843	2,078	7,776	1,067
Conseil scolaire de district catholique Franco-Nord	6,877	8,886	2,009	7,905	982
Conseil scolaire de district des Écoles catholiques du Sud-Ouest	6,957	8,094	1,138	7,996	98
Conseil scolaire de district des Écoles publiques de l'Est de l'Ontario	7,264	8,027	763	8,349	-322
Conseil scolaire de district du Centre Sud-Ouest	8,312	9,370	1,058	9,554	-184
Conseil scolaire de district du Grand Nord de l'Ontario	9,128	11,442	2,313	10,493	949
Conseil scolaire de district du Nord-Est de l'Ontario	8,268	12,434	4,166	9,504	2,930
District School Board of Niagara	6,153	6,396	244	7,072	-676
District School Board Ontario North East	7,594	8,555	961	8,729	-174
Dufferin-Peel Catholic District School Board	5,478	6,153	675	6,297	-143
Durham Catholic District School Board	5,209	6,157	948	5,988	169
Durham District School Board	5,731	6,244	513	6,588	-343
Grand Erie District School Board	5,957	6,654	697	6,847	-193
Greater Essex County District School Board	6,370	6,298	-72	7,322	-1,024
Halton Catholic District School Board	5,105	5,933	828	5,868	65
Halton District School Board	5,961	6,192	231	6,852	-660
Hamilton-Wentworth Catholic District School Board	5,814	6,399	586	6,683	-283

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**Formula Funding Detail, 2002-3 and 1997 compared
District School Boards**

	2002-3 projected enrolment	% of total enrolment	1997 Net Operating Expenditures Board Profiles	2002-3 projected funding, operations, including 2002-3 Ontario Budget impact	1997 adjusted to 2002-3 enrolment & costs	Gain (loss) in operating funding 2002-3 projected compared with 1997 actual	Gain (loss) 2002- 3 projected compared with 1997 adjusted for enrolment & cost
Hamilton-Wentworth District School Board	55,745	2.8%	323,240,431	355,184,979	381,112,669	31,944,548	-25,927,689
Hastings and Prince Edward District School Board	18,739	0.9%	124,864,070	130,269,503	133,975,599	5,405,433	-3,706,096
Huron-Perth Catholic District School Board	4,880	0.2%	24,973,581	34,632,050	30,100,356	9,658,469	4,531,694
Huron-Superior Catholic District School Board	6,597	0.3%	46,278,842	49,989,211	50,033,464	3,710,369	-44,253
Kawartha Pine Ridge District School Board	39,081	2.0%	232,864,130	253,622,195	264,048,705	20,758,065	-10,426,510
Keewatin-Patricia District School Board	6,439	0.3%	53,523,802	56,180,697	53,759,372	2,656,895	2,421,325
Kenora Catholic District School Board	1,081	0.1%	7,057,547	9,472,611	8,328,149	2,415,064	1,144,462
Lakehead District School Board	13,326	0.7%	96,805,061	96,862,007	97,684,007	56,946	-822,000
Lambton Kent District School Board	26,847	1.3%	185,084,263	177,076,761	188,927,745	-8,007,502	-11,850,985
Limestone District School Board	22,308	1.1%	153,552,081	156,395,721	168,894,514	2,843,640	-12,498,793
London District Catholic School Board	21,154	1.1%	119,484,803	140,049,722	140,594,110	20,564,919	-544,388
Near North District School Board	12,707	0.6%	100,559,886	96,069,083	98,610,840	-4,490,803	-2,541,757
Niagara Catholic District School Board	23,695	1.2%	122,189,817	150,329,975	147,206,486	28,140,158	3,123,489
Nipissing-Parry Sound Catholic District School Board	3,590	0.2%	25,028,004	29,610,913	25,221,106	4,582,909	4,389,807
Northeastern Catholic District School Board	2,800	0.1%	18,814,540	24,056,027	19,521,231	5,241,487	4,534,795
Northwest Catholic District School Board	1,275	0.1%	7,854,897	10,684,476	9,057,378	2,829,579	1,627,098
Ottawa-Carleton Catholic District School Board	39,225	2.0%	206,563,597	269,345,335	277,808,364	62,781,738	-8,463,030
Ottawa-Carleton District School Board	73,725	3.7%	506,098,329	487,305,215	598,458,285	-18,793,114	-111,153,069
Peel District School Board	122,450	6.1%	619,337,468	746,283,625	915,320,610	126,946,157	-169,036,985
Peterborough Victoria Northumberland and Clarington Catholic District School Board	14,119	0.7%	62,767,124	94,033,870	86,599,510	31,266,746	7,434,360
Rainbow District School Board	15,616	0.8%	119,886,080	116,132,620	120,349,453	-3,753,460	-4,216,833
Rainy River District School Board	2,952	0.1%	23,597,152	26,316,585	24,508,920	2,719,433	1,807,665
Renfrew County Catholic District School Board	5,064	0.3%	30,511,466	37,916,241	35,358,266	7,404,775	2,557,976
Renfrew County District School Board	11,276	0.6%	74,564,439	76,487,086	77,984,400	1,922,647	-1,497,314
Simcoe County District School Board	52,429	2.6%	264,803,435	325,163,737	342,002,439	60,360,302	-16,838,703
Simcoe Muskoka Catholic District School Board	20,960	1.0%	84,283,305	132,662,991	125,789,952	48,379,686	6,873,038
St. Clair Catholic District School Board	11,919	0.6%	72,434,692	80,574,377	76,674,129	8,139,685	3,900,248
Sudbury Catholic District School Board	7,206	0.4%	49,349,008	52,120,833	50,740,015	2,771,825	1,380,818
Superior North Catholic District School Board	805	0.0%	6,795,292	8,474,180	6,782,997	1,678,888	1,691,183
Superior-Greenstone District School Board	2,680	0.1%	28,868,839	26,305,272	25,143,540	-2,563,567	1,161,732
Thames Valley District School Board	79,480	4.0%	485,109,794	522,440,981	553,904,268	37,331,187	-31,463,287
Thunder Bay Catholic District School Board	7,743	0.4%	48,491,956	56,057,045	55,553,472	7,565,089	503,574
Toronto Catholic District School Board	93,127	4.6%	588,274,188	632,531,008	651,494,078	44,256,820	-18,963,070
Toronto District School Board	274,677	13.7%	2,017,316,452	1,898,704,557	2,442,302,337	-118,611,895	-543,597,780

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**Formula Funding Detail, 2002-3 and 1997 compared
District School Boards**

	1997 per student	2002-3 per student	Gain/(loss) in per- student funding, 2002-3 compared with 1997	Gain/(loss) in adjusted per- student funding, 1997 adjusted to 2002-3 per student	Gain/(loss) in adjusted per- student funding, 2002-3 compared with cost-adjusted 1997
Hamilton-Wentworth District School Board	5,948	6,372	424	6,837	-465
Hastings and Prince Edward District School Board	6,220	6,952	732	7,150	-198
Huron-Perth Catholic District School Board	5,366	7,097	1,731	6,168	929
Huron-Superior Catholic District School Board	6,598	7,578	980	7,584	-7
Kawartha Pine Ridge District School Board	5,878	6,490	612	6,756	-267
Keewatin-Patricia District School Board	7,263	8,725	1,462	8,349	376
Kenora Catholic District School Board	6,702	8,763	2,060	7,704	1,059
Lakehead District School Board	6,377	7,269	892	7,330	-62
Lambton Kent District School Board	6,122	6,596	474	7,037	-441
Limestone District School Board	6,587	7,011	424	7,571	-560
London District Catholic School Board	5,782	6,620	838	6,646	-26
Near North District School Board	6,751	7,560	809	7,760	-200
Niagara Catholic District School Board	5,405	6,344	940	6,213	132
Nipissing-Parry Sound Catholic District School Board	6,112	8,248	2,136	7,025	1,223
Northeastern Catholic District School Board	6,065	8,591	2,526	6,972	1,620
Northwest Catholic District School Board	6,180	8,380	2,200	7,104	1,276
Ottawa-Carleton Catholic District School Board	6,161	6,867	705	7,082	-216
Ottawa-Carleton District School Board	7,062	6,610	-452	8,117	-1,508
Peel District School Board	6,503	6,095	-408	7,475	-1,380
Peterborough Victoria Northumberland and Clarington Catholic District School Board	5,336	6,660	1,324	6,134	527
Rainbow District School Board	6,705	7,437	732	7,707	-270
Rainy River District School Board	7,223	8,915	1,692	8,302	612
Renfrew County Catholic District School Board	6,074	7,487	1,413	6,982	505
Renfrew County District School Board	6,017	6,783	767	6,916	-133
Simcoe County District School Board	5,675	6,202	527	6,523	-321
Simcoe Muskoka Catholic District School Board	5,221	6,329	1,108	6,001	328
St. Clair Catholic District School Board	5,596	6,760	1,164	6,433	327
Sudbury Catholic District School Board	6,126	7,233	1,107	7,041	192
Superior North Catholic District School Board	7,330	10,527	3,197	8,426	2,101
Superior-Greenstone District School Board	8,162	9,815	1,653	9,382	433
Thames Valley District School Board	6,063	6,573	510	6,969	-396
Thunder Bay Catholic District School Board	6,242	7,240	998	7,175	65
Toronto Catholic District School Board	6,086	6,792	706	6,996	-204
Toronto District School Board	7,735	6,912	-823	8,892	-1,979

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**Formula Funding Detail, 2002-3 and 1997 compared
District School Boards**

	2002-3 projected enrolment	% of total enrolment	1997 Net Operating Expenditures Board Profiles	2002-3 projected funding, operations, including 2002-3 Ontario Budget impact	1997 adjusted to 2002-3 enrolment & costs	Gain (loss) in operating funding 2002-3 projected compared with 1997 actual	Gain (loss) 2002- 3 projected compared with 1997 adjusted for enrolment & cost
Trillium Lakelands District School Board	20,008	1.0%	132,899,793	139,508,997	146,749,888	6,609,204	-7,240,891
Upper Canada District School Board	34,502	1.7%	231,133,144	238,201,386	247,629,649	7,068,242	-9,428,264
Upper Grand District School Board	32,654	1.6%	184,118,870	211,951,564	216,018,359	27,832,694	-4,066,794
Waterloo Catholic District School Board	22,434	1.1%	112,520,243	140,783,091	134,781,739	28,262,848	6,001,352
Waterloo Region District School Board	56,952	2.8%	320,274,539	361,463,086	389,511,707	41,188,547	-28,048,621
Wellington Catholic District School Board	7,817	0.4%	37,605,499	50,234,856	50,208,098	12,629,357	26,758
Windsor-Essex Catholic District School Board	26,350	1.3%	146,948,668	164,274,676	172,353,507	17,326,008	-8,078,831
York Catholic District School Board	47,176	2.4%	226,901,049	297,459,161	308,585,894	70,558,112	-11,126,734
York Region District School Board	94,251	4.7%	467,255,573	589,901,260	674,777,761	122,645,687	-84,876,501

Provincial Total

2,003,156 100.0% 12,091,103,820 13,365,578,484 14,530,164,519 1,274,474,664 -1,164,586,035

Losers	1,676,039	83.7%	10,151,902,797	11,029,405,987	12,308,285,238	877,503,190	-1,278,879,251
Gainers	327,117	16.3%	1,939,201,023	2,336,172,497	2,221,879,281	396,971,474	114,293,216
Net total	2,003,156	100.0%	12,091,103,820	13,365,578,484	14,530,164,519	1,274,474,664	-1,164,586,035
PUBLIC	1,367,411	68.3%	8,588,629,125	9,090,657,576	10,287,313,587	502,028,451	-1,196,656,011
Catholic	635,745	31.7%	3,502,474,695	4,274,920,908	4,242,850,931	772,446,213	32,069,976
Major Urban South	1,298,850	64.8%	7,611,694,312	8,399,524,405	9,532,721,468	787,830,093	-1,133,197,064
Rural & Other South	582,514	29.1%	3,521,565,530	3,979,827,115	4,042,105,520	458,261,585	-62,278,405
Major Urban Public	866,485	43.3%	5,325,189,610	5,623,388,398	6,704,522,508	298,198,788	-1,081,134,109
Rural & Other Public	421,974	21.1%	2,613,728,445	2,828,178,998	2,945,002,263	214,450,553	-116,823,265
Major Urban Catholic	432,365	21.6%	2,286,504,702	2,776,136,006	2,828,198,961	489,631,304	-52,062,954
Rural & Other Catholic	160,540	8.0%	907,837,085	1,151,648,117	1,097,103,257	243,811,032	54,544,860
GTA	870,231	43.4%	5,114,409,919	5,635,031,752	6,519,334,415	520,621,833	-884,302,663
GTA Public	599,167	29.9%	3,683,831,049	3,905,694,895	4,753,952,806	221,863,846	-848,257,912
GTA Catholic	271,064	13.5%	1,430,578,870	1,729,336,858	1,765,381,609	298,757,988	-36,044,751
North	121,792	6.1%	957,843,978	986,226,964	955,337,530	28,382,986	30,889,434
North Public	78,952	3.9%	649,711,070	639,090,180	637,788,817	-10,620,890	1,301,363
North Catholic	42,840	2.1%	308,132,908	347,136,784	317,548,713	39,003,876	29,588,071
French	84,368	4.2%	607,572,143	709,396,914	673,696,404	101,824,771	35,700,510
French Public	18,096	0.9%	127,015,936	165,164,960	164,108,610	38,149,024	1,056,350
French Catholic	66,272	3.3%	480,556,207	544,231,954	509,587,794	63,675,747	34,644,159
English	1,918,788	95.8%	11,483,531,677	12,656,181,570	13,856,468,114	1,172,649,893	-1,200,286,544
English Public	1,349,315	67.4%	8,461,613,189	8,925,492,616	10,123,204,977	463,879,427	-1,197,712,361
English Catholic	569,473	28.4%	3,021,918,488	3,730,688,954	3,733,263,137	708,770,466	-2,574,183

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**Formula Funding Detail, 2002-3 and 1997 compared
District School Boards**

	1997 per student	2002-3 per student	Gain/(loss) in per- student funding, 2002-3 compared with 1997	1997 adjusted to 2002-3 per student	Gain/(loss) in adjusted per- student funding, 2002-3 compared with cost-adjusted 1997
Trillium Lakelands District School Board	6,381	6,973	592	7,335	-362
Upper Canada District School Board	6,244	6,904	660	7,177	-273
Upper Grand District School Board	5,755	6,491	736	6,615	-125
Waterloo Catholic District School Board	5,227	6,275	1,049	6,008	268
Waterloo Region District School Board	5,950	6,347	397	6,839	-492
Wellington Catholic District School Board	5,588	6,426	839	6,423	3
Windsor-Essex Catholic District School Board	5,690	6,234	544	6,541	-307
York Catholic District School Board	5,691	6,305	615	6,541	-236
York Region District School Board	6,228	6,259	30	7,159	-901
Provincial Total	6,323	6,672	349	7,254	-581

Losers	6,393	6,581	188	7,344	-763
Gainers	5,983	7,142	1,158	6,792	349
Net total	6,323	6,672	349	7,254	-581
PUBLIC	6,546	6,648	103	7,523	-875
Catholic	5,837	6,724	887	6,674	50
Major Urban South	6,396	6,467	71	7,339	-872
Rural & Other South	6,052	6,832	781	6,939	-107
Major Urban Public	6,748	6,490	-258	7,738	-1,248
Rural & Other Public	6,070	6,702	632	6,979	-277
Major Urban Catholic	5,702	6,421	719	6,541	-120
Rural & Other Catholic	6,000	7,174	1,174	6,834	340
GTA	6,540	6,475	-65	7,491	-1,016
GTA Public	6,943	6,519	-424	7,934	-1,416
GTA Catholic	5,691	6,380	688	6,513	-133
North	6,838	8,098	1,260	7,844	254
North Public	7,033	8,095	1,061	8,078	16
North Catholic	6,459	8,103	1,644	7,412	691
French	6,919	8,408	1,489	7,985	423
French Public	7,943	9,127	1,184	9,069	58
French Catholic	6,691	8,212	1,521	7,689	523
English	6,295	6,596	301	7,221	-626
English Public	6,528	6,615	87	7,502	-888
English Catholic	5,721	6,551	830	6,556	-5