March 25, 2008

Dear colleague,

I am writing to advise you that funding for school boards was included in today’s announcement of the 2008 Ontario Budget. The 2008/09 Grants for Student Needs (GSN) will provide boards with a projected $18.8 billion in funding, which is $315 million more than the projected 2007/08 allocation announced in August 2007. A strong publicly funded education system remains at the heart of our government’s mandate, and I can assure you that over the next four years we will continue to implement our platform commitments, including a review of the funding formula.

Today’s Budget makes it clear that the economic climate in Ontario requires increasingly prudent management by government and our partners. Yet, despite the changing economic circumstance and declining enrolment across the province, we are increasing education funding for the sixth consecutive school year. This increase represents a per-pupil increase under this government of $2,451 or 33 percent.

There is much to be proud of in this year’s GSN. As part of our ongoing reform of the funding formula, we are providing boards with new investments, including $127 million in initiatives that were announced in August for 2008/09. We are also introducing a new Grant – the Safe Schools Supplement – to support at-risk students and their schools. This grant annualizes the existing Safe Schools funding and adds a new funding component designed to support urban secondary schools with particular challenges. We are also introducing new capital funding support of $750 million for new construction and renewal projects, as we review the capital funding model.

The 2008/09 GSN includes investments in other key areas, such as transportation, school operations, and textbooks and classroom supplies, so that our education staff can continue to focus on student achievement. At the same time, we are providing additional targeted resources through the GSN for student achievement programs by way of increased support for special education, Aboriginal education, and programs in the arts, music, outdoor education, and physical education. We are also enhancing and restructuring the Community Use of Schools Allocation to better respond to the demand for school space for community activities during non-school hours. (See attached document for more details on the GSN for 2008/09.)

The increase in funding of $315 million does not include funding related to 2008/09 collective agreements. As you know, the trustee associations and unions representing teaching and non-teaching staff are currently in provincial discussions to address issues, which, if resolved provincially, could greatly facilitate local bargaining.
In the meantime, we do expect boards to begin developing balanced budgets for 2008/09. I promised that the GSN would be released by the end of March, and we will deliver on that promise. Tomorrow we will provide you with further details of the 2008/09 GSN so that boards have the information they need to make staffing decisions for next year and to develop balanced budgets for the coming school year.

I am sure that many of you will see the suggestions you made reflected in this year’s GSN consultation, including the formation of a working group on declining enrolment. This new working group will examine the effectiveness of current grants in assisting boards to transition their programs and supports to serve fewer students. It will also look at other strategies that might help boards adjust their costs to enrolment decline in ways that advance the goals of student retention and student achievement. The results of the working group will provide important input for the 2010 funding formula review. Details on the membership and mandate of the task force will be announced in coming weeks.

We are proud of our record of investment in education. Working with our partners in education, we have come a long way in implementing our plan to energize education and reach every student. I know that we have the commitment, the imagination, and the expertise to use our resources wisely to help every student reach his or her full potential. That is our shared challenge, and I look forward to our continued partnership.

Sincerely,

Kathleen Wynne
Minister of Education

c: Directors of Education
2008-09 GRANTS FOR STUDENT NEEDS — HIGHLIGHTS

March 25, 2008

Since 2003, the McGuinty government has made steady increases to its education investments, with significant positive results for students:

- Almost 90 per cent of primary classes have 20 or fewer students and nearly all primary classes have 23 or fewer
- The majority of Grade 3 and 6 test results have improved overall by at least 10 percentage points over the past four years
- More high school students are graduating — from 2003-04 to 2006-07, the graduation rate rose seven percentage points to 75 per cent, representing 22,500 more students who’ve graduated.

Funding for the 2008-09 school year will enable our educators and our students to build on that success and promote our goal of improved student achievement.

What’s New for 2008-09?

For 2008-09, education funding through the funding formula would increase to $18.8 billion — up $315 million over 2007-08. This represents an increase of $4 billion or 27 per cent from 2002-03. Provincewide, funding per pupil would rise to $9,821 — up $2,451 or 33 per cent from 2002-03.

Proposed funding for 2008-09 includes the full implementation of the funding formula enhancements announced in August 2007, as well as new investments:

- $67.3 million enhancement for students with special education needs
- $44 million so boards can hire 590 more specialist elementary teachers
- A $10 million increase for English-as-a-second-language (ESL) and Perfectionnement du français (PDF)
- $27.1 million more to recognize the rising costs of transportation, and to support our work to improve the efficiency and standards of transportation services
- $25 million to recognize the rising costs of utilities and other operation costs
- $13 million in additional support to help schools open their doors to community groups
- $10 million increase to the Program Enhancement Grant that supports the arts, music, physical education and outdoor education
- $5 million increase to the First Nations, Métis and Inuit Education grant to support more comprehensive programs.

More Visible and Enhanced Support for Safe Schools

- A new $43.5 million Safe Schools Supplement moves existing funding into the GSN to support at-risk students, their families and their communities, and includes:
  - A new $10 million Urban and Priority High Schools amount to provide additional help for urban secondary schools that are struggling with safety as a result of school size and neighbourhood and community settings.
Building Better Schools

Students deserve to learn in schools that are safe and in good repair. That’s why Ontario proposes to provide $53 million annually for 25 years to support a $750 million investment to renew existing schools and build new ones. This includes replacing facilities when the cost of repairing them would be more than building a new school.

Plus, to help boards with growing or new residential neighbourhoods, $10 million would support $137 million in new school construction.

The funding would be a follow-up to the government’s $4 billion Good Places to Learn program which addressed renewal needs and new construction. In the last five years, over 10,600 high and urgently needed renewal projects have been carried out at over 2,500 schools. In addition, 200 new schools have been built and funding has been approved to build 100 more.

Peace and Progress

In 2005, the McGuinty government facilitated provincial discussions to help school boards and teachers reach four-year agreements. These agreements allowed school boards, teachers, parents and students to focus on student achievement.

In August 2008, most collective agreements in Ontario’s school boards will expire. The government is facilitating discussions between school boards and teacher and education support staff representatives to help parties resolve issues that apply provincewide. The goal is to support local bargaining and progress, and establish conditions that support student achievement for another four years.

Strengthening the Funding Formula

Since 2003, the McGuinty government has listened to boards and made significant improvements each year to how funding is delivered through the funding formula. While some costs that boards face are similar around the province, other costs differ depending on the size of the board, the number and location of its schools, and the characteristics of the student population.

The formula includes flexibility to reflect those differences so that all students receive the support they need to reach their full potential. Through all of these changes, the government has made the funding system more transparent so that parents and the community can clearly see how boards are spending the funding they receive.

Improvements to the funding formula in 2008-09 include:

- Updated benchmarks to support board operations and programs
- Enhanced Special Education
- Strengthened ESL/PDF reporting and accountability
- Expanded capital funding
- New safe schools funding.

In 2008-09, 60 boards are projected to have declining enrolment. To date, the government has introduced a variety of measures to help declining boards.

The ministry will establish a working group to look at the effectiveness of these measures, as well as other strategies that might help boards in adjusting costs to enrolment decline in ways that advance the goals of student retention and student achievement. Details on the membership and mandate for the working group will be announced in the coming weeks.

These changes, along with other changes previously made, will be reviewed in 2010.