

Submission to the Finance and Economic Affairs Committee

Pre-budget hearings

March 2013

Elementary Teachers' Federation of Ontario



The Elementary Teachers' Federation of Ontario (ETFO) welcomes the opportunity to participate in the 2013 pre-budget consultations. The new Liberal leadership provides the opportunity to develop a budget that adopts a more equitable approach to addressing the deficit and to fostering economic growth. It opens the door for the province to take a different path in how it builds and sustains public services that support all Ontarians.

Public sector singled out for expenditure cuts

The 2012 provincial budget was crafted within the parameters of the Drummond Commission report, a report whose skewed mandate predetermined that public sector expenditure would be the province's primary focus when tackling the deficit. Education sector employees have felt the full brunt of the province's public sector retrenchment policies. In spite of the former premier's rhetoric about asking teachers and other education employees to simply take a two-year "pause" in their wages, ETFO members, together with their colleagues in education, have been dealt actual salary cuts and permanent reductions to their sick leave and retirement benefits. As reported in the Ministry of Finance's *Quarterly Report* at the end of 2012, cuts to school board employees' compensation amounted to \$1.2 billion in savings for the province and represent the principal reason for the revised projected deficit for 2012. These cuts are on top of a two per cent salary differential imposed on ETFO members in 2008. They also are in addition to the recent reductions to Ontario Teachers' Pension Plan benefits. It is not lost on our members that Ontario MPPs benefit from a severance plan that is

much more generous than the teachers' retirement benefit being phased out by Bill 115, the *Putting Students First Act, 2012*, in addition to their registered retirement savings plan supported by taxpayers.

Attack on bargaining rights connected to decline of middle-class jobs

A year ago, ETFO anticipated tough discussions with the government regarding a framework for negotiating local agreements with school boards. The federation was prepared for the government to table a wage freeze. We weren't prepared for the significant contract strips, the lack of discussions regarding process, or the tenor of the government discourse at the table. It went from bad to worse when the government introduced Bill 115, legislation that gave the province unprecedented powers to interfere with the collective bargaining process. ETFO is encouraged by the efforts of the new Liberal leadership to work out solutions to the impasse over Bill 115 in a fair and respectful way. The federation remains optimistic that we can begin a new chapter in our relations with this government.

Strong Unions, Free Collective Bargaining contribute to Strong Economies

ETFO's fight to defend free collective bargaining is relevant to the current budget deliberations and to Ontario's economic future. The government's attack on education employees' collective bargaining rights through Bill 115 must be seen in the broader context of anti-union legislation and policy implemented at the federal level and in a growing number of provinces in Canada and states south of the border. These policies are designed to weaken unions' ability to negotiate fair compensation and working

conditions and ultimately to reduce unionization rates. To the extent that they are successful, these policies will contribute to a further loss of the middle-class jobs that have traditionally fueled our economy and the tax base that supports our public services. ETFO members are not just fighting for themselves; they're standing up for their students' future ability to have jobs that are fairly compensated and governed by rules that respect the rights of both the employer and employees.

Education Funding Shortfalls

The Liberal government has increased education funding since taking office in 2003, but the additional funding only went part way in addressing the \$2 billion in cuts imposed by the former Progressive Conservative government. Not all cuts implemented by the previous government were restored. Programs such as special education, English-as-a-Second Language, design and technology, physical education, and the arts continue to be shortchanged at the elementary level. Per pupil elementary grants continue to be considerably lower than grants for secondary students. Because of the historic funding differential between elementary and secondary education, elementary education offers few opportunities for further cuts.

Much of the funding increase since 2003 has supported important new initiatives like the reduction in primary class size and the introduction of full-day kindergarten. The 1.5% increase to education funding in 2012, for example, was virtually taken up with the continued roll-out of full-day kindergarten. At the same time, the Ministry implemented \$500 million in cuts resulting in job losses and program cuts at the provincial and school board levels.

Full-day Kindergarten: an important long-term investment

Full-day kindergarten is increasingly accepted within Canada as a core educational policy. The Ontario model, with its teacher- designated early childhood educator team and its renewed focus on play-based learning, reflects the most current research on early childhood development. This research demonstrates that full-day programs contribute to school-readiness, improve literacy and mathematics achievement in higher grades, narrow the gap in achievement levels for disadvantaged students, improve retention rates, and foster the integration of kindergarten into the elementary school community.

It is too early to draw definitive conclusions about the specific educational value of Ontario's full-day model; the province is only in year three of a five-year implementation plan and the results from longitudinal research are yet to come. However, based on research on students in the Peel District School Board by University of Toronto professor Janette Pelletier, the early findings indicate that full-day kindergarten students are more advanced in their vocabulary and early reading skills as well as early number knowledge and the complexity of their drawings. To maximize the potential of full-day kindergarten, the Ministry of Education must fund a lower average class size than the current 26 students, increase resources for classroom equipment and materials, and support professional development for the teacher-designated early childhood educator team. In the final years of the full-day implementation, as new kindergarten classrooms are built, we must also be vigilant that the capital investment supports adequate space and equipment for a play-based program.

Recommendations:

1. That the Ministry of Education reduce full-day kindergarten class size to the same level as other primary grades.
2. That the Ministry of Education increase funding for kindergarten learning resources and equipment.
3. That the Ministry of Education allocate funding for professional development to support the full-day kindergarten teacher-designated early childhood educator team.

Primary Class Size: important for Student Success

Primary class size, like full-day kindergarten, was a target of last year's Drummond report. The government wisely chose not to adopt the report's ill-advised recommendations to make savings through cutbacks to these programs. Like full-day kindergarten, the investment in smaller primary class size reflects the importance of focusing on early years education in order to promote student success and to achieve longer term savings. Based on the research, we should be protecting our smaller classes at the primary level and moving to reduce them in grades 4 to 8 as well.

The early Ontario research, led by University of Toronto professor Nina Bascia, demonstrates that smaller classes enable teachers to provide more individual attention to students and to employ a greater variety of instructional strategies. Students with the greatest educational needs benefit the most from smaller classes, but the improved learning environment benefits all students. Smaller classes have contributed to improved student behaviour and peer relationships. These outcomes contribute to improved student engagement and achievement in the early grades. These factors, in turn, contribute to increased graduation rates and the accompanying savings from fewer

students staying on beyond the required four years of secondary school. The Ontario research indicates that the policy could have even greater impact if better supported by teacher in-service. The Ministry of Education's professional development budget is one of the unfortunate casualties of the recent across-the-board cuts.

Recommendation:

4. That the Ministry of Education allocate funding for professional development to support teaching strategies in smaller classes.

Safer, healthier places to learn and to work

Ensuring that our school communities are safer and healthier places to learn and to work is an important part of supporting student achievement and educator excellence. Both the *Education Act* and the *Occupational Health and Safety Act* have strengthened the requirements for violence prevention, reporting, intervention, and control in school communities. There is much work to be done to ensure that legislation, policy, and procedures foster positive behaviour and prevent school violence.

Principals and staff need a consistent quality of training and support for dealing with violence in their schools. They need to be familiar with their duties under both the *Education Act* and the *Occupational Health and Safety Act*. All school employees need to be provided with information about the risks of physical injury from a person in their workplace who has a history of violence. The assessment of the risks of violence as well as measures and procedures to protect people from those risks must be completed and revised as often as necessary. The principal and affected staff members need to

work as a team to develop safety plans that protect people, including the person with a history of violence, from injury.

Recommendations:

5. That the Ministry of Education allocate funding for professional development to support Ministry polices related to violence in school communities.
6. That the Ministry of Education work with the Ministry of Labour to ensure that the duties and responsibilities established through the *Occupational Health and Safety Act* are also reflected in Ministry of Education guidelines and policies.

School boards need to ensure that the new guideline, the *Provincial Policy for Developing and Maintaining Lockdown Procedures for Elementary and Secondary Schools in Ontario*, is reflected in effective practices at every school site. The government has allocated significant new funds to improve front door security in public elementary schools. The practical aspects of lockdown plans also include risk assessment in both open and securable areas; training for the principal, staff and students; door locks in working order; a fully operational public address system; and access to classroom keys for occasional teachers.

Recommendations:

7. That the Ministry of Education ensure that school boards are meeting the requirements of the *Provincial Policy for Developing and Maintaining Lockdown Procedures for Elementary and Secondary Schools in Ontario* with the necessary planning, training and operating efficiencies to assure readiness.

There are also health and safety concerns related to current capital projects supporting the expansion of full-day kindergarten. Precautions to control dust, fumes, and noise must be in place to protect the health and safety of staff and students in these school

communities. Cases where these precautions have not been in place have caused illness and discomfort among students and staff, and interfered with the instructional day. Construction protocols must consider the occupants of the building. The kindergarten expansion projects must be carefully supervised to ensure that factors such as indoor air quality are protected.

Recommendation:

8. That the Ministry of Education require all school boards to include occupant health and safety in the scope of work and subsequent supervision of construction projects.

Finding savings in the education sector

For many years, the federation has identified the government's expenditure on the Education Quality and Accountability Office (EQAO), the provincial student testing program, and the plethora of diagnostic assessments performed at the school level as the most obvious targets for education savings. The 2012 provincial budget applied a minimal 2.5 per cent reduction to the EQAO's \$34 million annual budget. If Ontario were to follow the lead of Finland, the highest-performer on international student assessments, it would eliminate the annual provincial tests in grades 3 and 6. If it were at least willing to take a step towards this model, it would change EQAO testing from annual census assessments to random-sample tests. This would achieve the goals of both evaluating the effectiveness of provincial curriculum and teaching strategies and achieving education expenditure savings. There is growing support for moving to a random-sample model in Ontario, including from People for Education, the provincial research and advocacy organization. The most recent recruit to this position is the 2013

report, authored by scholars of Action Canada, a national fellowship program, entitled *Real Accountability or an Illusion of Success? A Call to Review Standardized Testing in Ontario*.

The Ministry of Education currently allocates \$142 million to its Student Achievement Division, including \$45 million that it transfers to school boards to support school boards' literacy and numeracy initiatives. In January, the Ministry of Education issued a Policy and Program Memorandum (PPM 155) governing teachers' use of diagnostic assessment tools and establishing guidelines designed to limit their use. The memorandum responded positively to ETFO's longstanding request to address the over-use of these assessments and to recognize teachers' professional judgment regarding which tests to use, which students to assess, and how frequently to use the various assessment tools. If the policy is respected by school boards it should lead to a significant reduction in the need for diagnostic assessment tools. This should result in considerable savings to school boards, savings that can be applied elsewhere to support student learning. It should also enable teachers to focus more on the curriculum and to spend more time working with their students.

Employers are increasingly seeking employees with higher order skills and calling for an education system that goes beyond the basics of literacy and numeracy. After a decade and a half of experience with the EQAO and the resulting narrow focus on the basics, it's time to review the EQAO assessment regime. It's also time to recommit to a more

holistic and engaging program for students that includes experiential learning, a focus on design and technology, and an integration of the arts throughout the curriculum.

Recommendation:

9. That the government require EQAO to move to a random-sample model of student testing.

Ontario must recommit to anti-poverty strategy

In 2008 the provincial government committed to reduce Ontario's poverty rate by 25 per cent by 2013. While the most recent statistics show a reduction in the rate between 2008 and 2010 from 15.2 per cent to 14.2 per cent (a decrease of 6.6 per cent), one in seven Ontario children still lives in poverty. The *Campaign 2000 Report Card on Child and Family Poverty in Ontario – 2012* attributes this modest reduction to the increase in the Ontario Child Benefit (OCB) and the minimum wage. Regrettably, the government's anti-poverty strategy was brushed aside by its 2012 austerity budget that announced a one-year postponement of the scheduled increase in the OCB to an annual maximum of \$1,100 per child.

The minimum wage hasn't increased since 2010 when it was set at \$10.25. Canadian Centre for Policy Alternatives economist Armine Yalnizyan calculates that: "Inflation in Ontario has taken a 6.5-per-cent bite out of the earnings of a minimum wage worker since then." She recommends that Ontario increase the rate to \$11.50 and index it to inflation on a go forward basis. Authors of the 2013 McMaster University - United Way Toronto report, *It's More than Poverty: Employment Precarity and Household Well-being*, also identify increasing the minimum wage as an effective strategy to decrease

poverty and the impacts of precarious employment. To address the poverty rate, the 2013 budget should increase both the Ontario Child Benefit and the minimum wage.

Recommendations:

10. That the government uphold its commitment to increase the Ontario Child Benefit to \$1,310 per child per year effective July 2013.
11. That the hourly minimum wage be increased to \$11.50 and indexed to inflation.

Accessible child care: a foundation for economic growth

Access to high-quality, licensed child care is essential for parents who are working, studying, participating in job-retraining programs, or simply seeking enriched child development experiences for their young children. Access to child care is more important than ever given the connection between workforce participation and economic recovery.

In making their case for the central importance of child care services, advocates have received increasing support from economists. A 2012 TD Bank report found that: "...total public spending in the [child care] sector in Canada has fallen short of many of its peers. At 0.25% of GDP, Canada ranks last among comparable European and Anglo-speaking countries...Even looking at family support, including child payments, parental leave benefits and child care support, public spending in Canada is 17% below the OECD average." A 2009 study by economist Robert Fairholm reported a number of positive economic benefits, including that every dollar invested in child care increases the economy's output (GDP) by \$2.30. The *It's More than Poverty* report identified expanded access to affordable, regulated, flexible child care as a central strategy to

address the growing phenomenon of precarious employment, a problem affecting all income groups in the province.

Despite the provincial government's promise to "modernize" child care, it has failed to keep the sector from its constant state of crisis. In response to pressure from the NDP, the 2012 Budget established \$242 million in one-time funding spread over three years. This amount, according to child care researchers, reflects only about one-third of what is needed to stabilize existing child care programs, let alone expand the sector to better meet the needs of parents and their children. ETFO is looking to the 2013 provincial budget to finally make the funding of child care services a priority.

Recommendation:

12. That the funding for child care be increased to more effectively address the current instability in the sector.

Tax policies that address the widening income gap

It's time for the government to use progressive tax measures to address the growing income inequality in Ontario. Although the federal government has a role to play through its tax policies, income support programs, and transfers to the provinces, Ontario can take effective tax measures on its own to help mitigate the problem.

In a January 2013 report, the Conference Board of Canada noted that income inequality in Canada has increased over the past 20 years so that today, Canada ranks 12 out of 17 among OECD nations. Over that period, the richest Canadians have increased their share of total national income, while middle- and low-income Canadians have lost

ground. As researcher Trish Hennessy reports, Statistics Canada data show that Ontario has the second worst income inequality in the country, second only to Alberta. The richest 1% in Ontario makes, on average, 16 times the bottom 90% today compared to 10 times more three decades ago. The Conference Board sees income inequality as posing a threat to economic growth and contributing to social tensions, both of which could undermine foreign investment.

Except for the modest measure of increasing the surtax for income earners above \$500,000 and the decision not to proceed with the next scheduled corporate tax cut, the 2012 austerity budget focused on the expenditure side to address the provincial deficit. This approach was taken in spite of the fact that the Liberal government has not revisited the tax cuts implemented by the former Conservative government. The reduction in personal income taxes, corporate income taxes, and other taxes since 1995-96 amounts to \$17 billion a year according to a CCPA-Ontario report released this month. This figure is far higher than the current provincial deficit. In spite of the financial losses experienced from the 2008 recession, Ontario's problem is clearly not a lack of wealth; the problem is a fair distribution of that wealth.

Premier Wynne has mused publicly about the merits of tinkering with the tax system through adjustments to tax credits. ETFO adds its voice to those calling for a more substantial restructuring of our personal and corporate tax structure. The province has the political responsibility to take the lead in a public discussion about how the tax

system contributes to economic prosperity, social cohesion, and greater equity among its citizens.

Recommendation:

13. That the 2013 budget introduce personal and corporate income tax measures to address the growing income gap in Ontario.

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