

Submission to the Finance and Economic Affairs Committee

Pre-budget hearings

January 2014

Elementary Teachers' Federation of Ontario



The Elementary Teachers' Federation of Ontario (ETFO) welcomes the opportunity to participate in the 2014 pre-budget consultations. ETFO represents 76,000 elementary public school teachers and education professionals across the province and is the largest teacher federation in Canada.

ETFO is looking to the government to develop a budget that adopts a more equitable approach to addressing the deficit and to fostering economic growth. The 2013 Budget confirmed that one-time savings from the cuts to teacher sick leave and retirement gratuity provisions contributed \$1.1 billion to the \$5 billion drop in the estimate for the 2012-2013 deficit. The 2013 Budget also reported that Ontario public sector settlements are now below those in the private sector, the municipal sector, and the federal public sector.

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. ETFO members and the public sector generally have contributed more than their "fair share" to deficit reduction.

After two years of public sector compensation cuts, it's time for the province to focus on sustaining public services that provide fundamental services to all Ontarians. During this period of manufacturing job loss, a strong public sector also has an important role to play in ensuring there are middle-class jobs that contribute to the provincial treasury and fuel economic recovery.

Attack on Unions undermines Goal of building a strong economy

ETFO's recent fight against Bill 115, the *Putting Students First Act, 2012*, was, above all, a fight to defend free collective bargaining. While that fight is now proceeding as a challenge through the courts, and the bill has been repealed, we face the prospect of future provincial governments implementing anti-union policies such as so-called "right to work" legislation. This policy would fundamentally undermine the ability of unions to ensure fairness in the workplace, protect the health and safety of workers, and negotiate improvements to working conditions and benefits that ultimately set standards beyond unionized workplaces. Over decades of union struggle, Canadians now benefit from the eight-hour day and the weekend, workplace health and safety legislation, unemployment insurance and employment standards, public pensions, national health care, income supports for new parents, training for unemployed workers, minimum wages, protections for injured workers, and equal pay for equal work.

Union collective bargaining has ensured a more equal distribution of wages and benefits than would have been the case otherwise. A recent study of 20 OECD countries "found that a 1% increase in union density is associated with a 1.5% reduction in incidence of low-wage employment." And, as Canadian economist Andrew Jackson writes: "As middle- and working-class living standards are squeezed and society becomes more unequal, the economy becomes much more unstable and crisis-prone."

Anti-union policies such as "right to work" would contribute to a further loss of the middle-class jobs that have traditionally fueled our economy and would weaken the tax base that supports our public services. In actively fighting against such anti-union policies, 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 has only gone part way in addressing the \$2 billion in cuts imposed by the former Progressive Conservative government. Not all cuts implemented by the previous government have been 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.

Special Needs Students

Meeting the needs of special education students is a constant challenge for any school system. As total student enrolment declines across the province, school boards receive less money for special education. At the same time, the number of students being identified through the special needs identification process is increasing, not decreasing. There is a particular increase in the number of students with autism spectrum disorder. As recommended by the government's Declining Enrolment Working Group in 2009, special education grants should be revised to better reflect the needs of special education students. To successfully integrate special needs students into regular classrooms, it is important to provide additional professional support from educational assistants, behavioural counsellors, psychologists, and speech and language pathologists.

Recommendation:

1. Increase funding for educational assistants, behavioural counsellors, psychologists, and speech and language pathologists to better meet the needs of all students.

English-language learners

The demographic profile of Ontario has changed dramatically over the past decade. The number of children who speak neither English nor French when they register for school has increased significantly. As reported by the 2013 People for Education annual report on public schools, 72 percent of English elementary schools have English language learners (ELL) compared to 43 percent in 2002-03. These students face significant challenges in catching up to their peers and schools do not have the resources to adequately support them. The provincial grants for ELL students are based on Census figures related to immigrants who speak languages other than English or French; they don't reflect the number of students born in Canada who don't learn either official language at home before enrolling in school. The grants also assume that ELL students won't require special language programs for longer than four years, an assumption that is not supported by reports from teachers who work with these students or by research on language acquisition.

There is no direct accountability for school boards to actually spend their second-language grants on the intended programs. The latest data indicate that 28% of English-language elementary schools with 10 or more ELL students do not have an ESL teacher. All too often, the overall shortfalls in the funding formula have led to school boards using their second language grants for other purposes and short-changing ELL students.

Recommendations:

2. Expand funding for English Language Learner programs and English-as-Second-Language teachers to meet the language acquisition needs of English-language learners.
3. Require school boards to spend the ELL funding as specified in the grants.

Full-day Kindergarten: an important long-term investment

Full-day kindergarten for Ontario students is a significant education initiative. Preliminary Ontario-based research suggests that the investment is already producing strong results in terms of kindergarten students' early reading and writing abilities, the complexity of their drawings, social competence, and problem-solving skills. More definitive conclusions about the effectiveness of the program will have to wait for the results of more longitudinal studies.

To optimize the potential of full-day kindergarten, the Ministry of Education needs to address issues identified by the front-line staff and by Ontario researchers monitoring the program.

These issues include class size and physical space, professional learning to support the teacher and designated early childhood educator team, joint planning time for the educator team, and deeper, systemic support for the inquiry, play-based learning philosophy underlying the program.

Although the full-day kindergarten program is funded to have an average class size of 26 and an average staff-child ratio of 1:13, there are a considerable number of classes with 30 or more students. ETFO members consistently raise concerns about the challenges of setting up activity-based programs for that many young children. The recent Queen's-McMaster-Ministry of Education report on the preliminary research stated: "Classroom space alone does not provide a barrier to favourable child outcomes", but many program staff report that they are not working in optimal environments. Overcrowded classrooms limit the ability to take full advantage of the play-based program and they create stressful and overly noisy work environments.

Recommendations:

4. That the Ministry of Education reduce full-day kindergarten class size to the same level as other primary grades.
5. That the Ministry of Education increase funding for kindergarten learning resources and equipment.

6. That the Ministry of Education allocate funding for professional development to support the full-day kindergarten teacher-designated early childhood educator team and to support joint planning time.

Smaller Class Size: important for student success

Primary class size, like full-day kindergarten, was a target of the 2012 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 be moving to reduce them in grades 4 to 8 as well. Lowering class sizes in these Junior and Intermediate grades would provide teachers with greater opportunity to develop strategies and interventions tailored to the learning needs of each student.

The early Ontario class size 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:

7. That the Ministry of Education allocate funding to lower class size in grades 4 to 8.
8. 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 factor in student achievement and educator excellence. Longstanding health and safety issues such as lack of training, workplace violence, poor indoor air quality, incomplete emergency planning, and risks of exposure to hazardous materials such as asbestos remain leading concerns with significant potential to impact the wellbeing of people in the school community. There are practical solutions to all of these issues based upon legislation, policy, best practice, common sense and stronger working relationships between education partners.

The quality, frequency, and duration of legislated health and safety training vary considerably among school boards across the province. There is a lack of clarity about how legislative requirements under both the Occupational Health and Safety Act and the Education Act are to be met.

Recommendation:

9. That the Ministry of Education allocate funding for the health and safety training of principals and educators to ensure that school boards meet the requirements of the *Occupational Health and Safety Act* and the *Education Act*.

Finding savings in the education sector

For many years, ETFO 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 (\$2.4 million) to

the EQAO's \$34 million annual budget over a three-year period. If Ontario were to follow the lead of Finland, the highest-performer on international student assessments, it would go further and 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.

It is not only front-line staff who are calling for fundamental change to our assessment regime. Ontario-based education experts advocate a new vision for education reform that is not focused on standardized test results. Their vision is based on creating supportive and collaborative school cultures where educators are afforded greater professional autonomy regarding their classroom practice, development of curriculum, and use of assessment strategies. 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 their literacy and numeracy initiatives. In January 2013, 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.

ETFO believes it is time for Ontario to move toward a single, secular public school system that respects French-language rights. Savings could be found particularly in small, rural communities where there are often an insufficient number of students to effectively provide a full and viable program and where there are school buildings with empty classrooms. The increasing diversity of Ontario's population also makes it difficult to defend a school system devoted to one religion.

Recommendations:

10. That the government require EQAO to move to a random-sample model of student testing.
11. That the government take steps to move toward a singular, secular school system in Ontario that respects French-language rights.

Ontario must recommit to anti-poverty strategy

In 2008 the provincial government committed to reducing Ontario's poverty rate by 25 per cent by 2013. While the most recent statistics provided by anti-poverty organization Ontario Campaign 2000 show a reduction in the rate between 2008 and 2010 from 15.2 per cent to 13.8 per cent (a decrease of 9.2 per cent), one in seven Ontario children still lives in poverty. The organization reports that child poverty rates among marginalized communities are even higher: 1 in 2 children in immigrant families, 1 in 3 racialized children, and approximately 1 in 4 First Nations children. After brushing aside its anti-poverty strategy in the 2012 "austerity budget", the government modestly returned to it in 2013 by increasing social assistance payments by one per cent and allowing recipients to retain \$200 in monthly earnings without being forced off

of assistance. The government should use the 2014 Budget to get back on track in terms of its poverty reduction target.

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." 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. The 2014 Budget should increase the minimum wage and index it to inflation. Indexation would introduce sound financial planning to minimum wage policy and limit the need for political mobilization around the issue.

Women, on average, still earn 28 percent less than men in Ontario. The pay gap affects women in all occupations and education levels. The gap is greater for racialized women, women with disabilities, and Aboriginal women. In Ontario, pay equity is neither fully enforced nor fully funded. Addressing pay equity would stimulate the economy by increasing the overall spending power of women. Reducing the barriers women face to higher paying jobs would attract more women to the workforce and make more productive use of their skills and expertise. Addressing pay equity should be a key component of both the government's economic recovery plan and poverty reduction strategy.

Recommendations:

12. That the government intensify its focus on meeting its poverty reduction target.
13. That the hourly minimum wage be increased to \$14 and indexed to inflation.
14. That the government fully fund the pay equity adjustment owed to female public sector workers.

15. That the government fully fund the Pay Equity Commission, the Hearings Tribunal, and legal support services for female workers.

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. The 2012 Budget established \$242 million in one-time funding spread over three years. The 2013 Budget extended its additional funding for a fourth year by allocating an additional \$39 million in 2015-2016 to assist the sector adjust to losing four- and five-year-olds to full-day kindergarten. This funding, according to child care researchers, falls short 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.

Child care advocates recommend that Ontario adopt a funding model similar to Quebec's directly funded system that charges parents \$10/day. Advocates in British Columbia are promoting a similar model in their province. ETFO is looking to the 2014 Budget to finally make the funding of child care services a priority.

Recommendation:

16. 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.

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:

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

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RECOMMENDATIONS

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

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