

DISCUSSION PAPER

ONTARIO PUBLIC AND CATHOLIC SCHOOL MERGER STUDY

**PART I - PROJECTED COST SAVINGS FROM THE
MERGER OF THE ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS**

**PART II – POLITICAL IMPLICATIONS OF THE MERGER OF THE
ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS**

**PART III – CONSTITUTION ISSUES RELATED TO THE MERGER OF THE
ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS**

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IN MARCH 2007, THE FEDERATION OF URBAN NEIGHBOUHOODS IDENTIFIED CHALLENGES FACING THE PROVINCIAL GOVERNMENT. ONE OF THESE CHALLENGES WAS WORDED AS FOLLOWS:

***Education:** Ontario voters have made it quite clear that they will not tolerate public funding for religious schools. The problems of funding religious schools for only one religion remain troublesome. It might be useful to establish a commission to study how the public and separate school systems could be combined and what savings would result from such a merger.*

THE FOLLOWING PAPER HAS BEEN PREPARED TO CALCULATE THE POSSIBLE SAVINGS FROM SUCH A MERGER AND EXAMINE THE POLITICAL AND CONSTITUTION ISSUES. THE CURRENT ECONOMIC SITUATION FACING THE PROVINCIAL GOVERNMENT REQUIRES ECONOMIES IN THE PROVISION OF EDUCATIONAL SERVICES WHICH COULD RESULT IN CUTS THAT WOULD RESULT IN WIDESPREAD PARENT DISCONTENT AND MAJOR LABOUR DISPUTES WITH TEACHER UNIONS. IT IS POSSIBLE THAT SUCH OUTCOMES COULD BE PREVENTED BY THE MERGER SAVINGS OUTLINED IN THIS PAPER. THE FEDERATION OF URBAN NEIGHBOURHOODS OF ONTARIO BELIEVES THAT A DISCUSSION OF THE POSSIBLE MERGER OF THE ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS SHOULD TAKE PLACE ACROSS THE PROVINCE OF ONTARIO IN LIGHT OF THE SEVERE FINANCIAL PRESSURES FACING ONTARIO EDUCATION.

EXECUTIVE SUMMARY

This paper anticipates the Government of Ontario responding to severe economic restraints by cutting educational services and reducing teacher salaries and benefits following the Drummond Commission Report. As outlined below, it would be possible to reduce or even eliminate most of these cuts by merging the Public and Catholic school systems.

Projected cost savings from merging have been calculated as follows:

- Elimination of school board and governance grants for discontinued Catholic school boards with total potential savings of \$164.9 million.
- French language education savings of \$38 million by reducing under-utilization.
- Savings in student transportation grants of \$169 million.
- Savings in capital program costs of \$239 million.
- Economies of scale savings of between \$488 million and \$813 million.

The total estimated annual savings due to merging have been calculated at between \$1.269 billion and \$1.594 billion.

While such significant savings would appear to be a strong economic incentive for pursuing the merging of the Public and Catholic school systems especially in light of the current large deficit in Ontario, there seems to be limited political will to do so. However, there appears to be substantial public support for ending funding for Catholic schools and certainly little support for extending funding to other religious schools.

This paper outlines how easy it would be for the Government of Ontario to obtain the authority to phase out the Catholic school systems by passing a resolution which would amend section 93 of The Constitution Act, 1867 by adding, immediately after section 93, the following "93A. Paragraphs (1) to (4) of section 93 do not apply to Ontario." Since education is a provincial responsibility, there is no doubt that the Government of Canada would pass enabling legislation to amend the Constitution as requested by the Government of Ontario as it has done in 1997 following separate requests by the Newfoundland Government and the Quebec Government.

PART I - PROJECTED COST SAVINGS FROM THE MERCING OF THE ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS

SCHOOL BOARD ADMINISTRATION AND GOVERNANCE

If all Catholic District School Boards (DSBs) in Ontario were to be merged with their public school board counterparts with the exception of the CSD (Conseil Scolaire De District) catholique Franco school boards which would require the shifting of some of the boards into the French Public School Board sector, the following boards could be discontinued with the elimination of their grants for school board administration and governance. The boards and the potential savings are listed below and are based on Ontario Projected School Board funding for the 2011-12 school year.

Algonquin and Lakeshore Catholic DSB	\$ 4,004,916
Brant Haldimand Norfolk Catholic DSB	\$ 3,494,941
Bruce-Grey Catholic DSB	\$ 1,979,214
Catholic DSB of Eastern Ontario	\$ 4,315,945
Dufferin-Peel Catholic DSB	\$21,157,980
Durham Catholic DSB	\$ 6,082,055
Halton Catholic DSB	\$ 7,579,241
Hamilton-Wentworth Catholic DSB	\$ 7,313,460
Huron-Perth Catholic DSB	\$ 2,166,891
Huron-Superior Catholic DSB	\$ 2,720,980
Kenora Catholic DSB	\$ 1,519,811
London District Catholic School Board	\$ 5,686,780
Niagara Catholic DSB	\$ 6,186,418
Nipissing-Parry Sound Catholic DSB	\$ 1,876,065
Northeastern Catholic DSB	\$ 1,939,336
Northwest Catholic DSB	\$ 1,605,732
Ottawa Catholic DSB	\$10,119,255
Peterborough V N C Catholic DSB	\$ 4,361,921
Renfrew County Catholic DSB	\$ 2,190,982
Simcoe Muskoka Catholic DSB	\$ 5,820,224
St. Clair Catholic DSB	\$ 3,284,969
Sudbury Catholic DSB	\$ 3,237,388
Superior North Catholic DSB	\$ 1,339,389
Thunder Bay Catholic DSB	\$ 3,654,865
Toronto Catholic DSB	\$22,178,456

Waterloo Catholic DSB	\$ 5,964,057
Wellington Catholic DSB	\$ 3,092,881
Windsor-Essex Catholic DSB	\$ 6,212,050
York Catholic DSB	\$13,857,464

Total Potential Annual Savings \$164,943,666

FRENCH LANGUAGE EDUCATION

There are overlapping Public and Catholic French Language School Boards in Ontario but, in order to ensure adequate public input into French Language Schools, it is necessary to merge these school boards in such a way as to ensure adequate representation. It is important to note that the following English Language Public School Boards have a smaller combined enrolment than the Catholic French Language Boards.

The Ontario Public French Language Boards have the following projected enrolments for 2011-12: (CSD Conseil Scolaire De District)

	Elementary	Secondary
CSD des écoles publiques de l'Est de l'Ontario	7,237	3,126
CSD du Centre Sud-Quest	6,221	1,599
CSD du Grand Nord de l'Ontario	1,300	683
CSD du Nord-Est de l'Ontario	1,306	414
Total Projected Enrolments	16,064	5,822

In contrast, the Ontario Catholic French Language Boards have much higher projected enrollments for 2011-12:

CSD catholique Franco-Nord	1,798	1,022
CSD catholique Centre-Sud	9,876	2,771
CSD catholique de l'Est ontarien	6,496	3,308
CSD catholique des Aurores boréales	583	91
CSD catholique des Grandes Rivières	4,030	2,146
CSD catholique du Centre-Est de l'Ontario	13,269	4,584
CSD catholique du Nouvel-Ontario	4,559	2,011
CSD des écoles catholiques du Sud-Ouest	6,135	1,450
Total Projected Enrolments	46,746	17,383

With such small enrolments, especially in the public schools, it is obvious that combining the Public and Catholic French Language Boards will improve educational opportunities for French Language Students, especially at the

secondary level. The economies of doing this are also obvious, especially when we look at the excess capacity of these school boards and the relatively small enrolments. Such factors may account for the average per pupil costs in French language school being about one third higher than the average per pupil costs in English language schools.

The Ontario Public French Language Boards had the following average utilization of school facilities in 2010-11:

	Elementary	Secondary
CDS des écoles publiques de l'Est de l'Ontario	71.0%	74.9%
CSD du Centre Sud-Quest	58.1%	39.4%
CSD du Grand Nord de l'Ontario	43.3%	28.3%
CSD du Nord-Est de l'Ontario	63.8%	44.5%

The Ontario Catholic French Language Boards had the following average utilization of school facilities in 2010-11:

	Elementary	Secondary
CSD catholique Franco-Nord	51.4%	48.1%
CSD catholique Centre-Sud	82.6%	80.5%
CSD catholique de l'Est ontarien	52.5%	56.5%
CSD catholique des Aurores boréales	39.3%	35.4%
CSD catholique des Grandes Rivières	45.0%	43.4%
CSD catholique du Centre-Est de l'Ontario	71.2%	83.1%
CSD catholique du Nouvel-Ontario	52.2%	60.9%
CSD des écoles catholiques du Sud-Ouest	83.5%	70.7%

It is obvious that there is sufficient excess capacity in the French Language School Boards to enable the reduction of the number of these school boards from twelve to eight without any negative effects on French Language education in these areas, although the removal of the Catholic component of education in the Catholic schools would force the Catholic Churches to take on this role rather than the schools.

The estimated annual savings of eliminating the four school boards and a corresponding number of schools while retaining their operating grants and related items which pertain to the students and the classroom are as follows: (Those with the lowest average utilization have been chosen as an example although local decision-making would have to be undertaken to determine appropriate actions. Only the School Board Administration and

Governance Grants and School Operations Allocations are used to calculate savings.)

CSD du Centre Sud-Quest	\$3,745,633	\$11,378,385
CSD du Grand Nord de l'Ontario	\$2,055,302	\$4,133,517
CSD catholique des Aurores boréales	\$1,470,711	\$1,347,947
CSD catholique des Grandes Rivières	\$3,397,024	\$10,779,248
Estimated Annual Savings	\$10,668,670	\$27,639,097

SAVINGS BY REDUCING UNDER-UTILIZATION

The cost benefits from merging the public and Catholic school systems will derive from the ability to reduce the number of schools by making better utilization of the excess facilities in Ontario schools. In 2010-11, Ontario school facilities had an average utilization of 83.6% at the elementary level and 89.4% at the secondary level. By combining school systems, it could reasonably be expected to achieve at least 90% utilization at the elementary level and 95% utilization at the secondary level. Estimated saving would certainly apply to the School Operations Allocation and the School Renewal Allocation.

Combining both the elementary and secondary levels, these saving could reach 7.5% of these costs as follows:

School Operations Allocation	7.5% of \$1,961,315,590 =	\$147,098,669
School Renewal Allocation	7.5% of \$299,507,424 =	\$22,463,057

Estimated Annual Savings **\$169,557,725**

SAVINGS IN THE STUDENT TRANSPORTATION GRANT

It will be possible to reduce the costs of student transportation by eliminating the current duplication of these services and by reducing the distances to be traveled by student. It is estimated that these saving should reach at least 20% of current costs as follows:

Student Transportation Grant	20% of \$844,737,894 =	\$168,947,579
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Estimated Annual Savings **\$168,947,579**

SAVINGS IN CAPITAL PROGRAMS

With the merging of public and Catholic school systems, there will be excess facilities which can be declared surplus and sold. The resulting funds can be used to offset costs for new pupil places and other capital programs. It is difficult to provide an accurate estimate of such savings but it will certainly be substantial. However, these savings will not be annual but will occur only as the merger proceeds. There should be sufficient funds to cover any capital costs of merging. However, after the merger, capital costs should be reduced by at least 20% because there will be fewer administrative buildings needed because of the reduction in school board numbers and fewer schools to replace.

New Pupil Places and Other Capital Programs 20% of \$1,196,740,775

Estimated Annual Savings **\$239,348,155**

ECONOMY OF SCALE SAVINGS

While there are savings possible in the other grant areas listed below, these are difficult to estimate with any degree of certainty. However these areas account for the greatest education funding as outlined below:

Pupil Foundation Grant	\$9,802,448,010
School Foundation Grant	\$1,404,531,689
Special Education Grant	\$2,518,071,108
Language Grant	\$ 649,827,792
Learning Opportunities Grant	\$ 476,283,588
Teacher Qualifications and Experience Grant	\$1,413,441,851
Total of these grants	\$16,264,604,038

Economies of scale should provide at least minimal savings in these areas. Certainly the most conservative savings that could be anticipated would be from 3% to 5% reduction in costs which would yield annual savings of from \$487,938,121 to \$813,230,202.

Estimated Annual Savings **\$487,938,121 to \$813,230,202**

SUMMARY OF ESTIMATED ANNUAL SAVINGS OF MERGING

School Board Administration and Governance	\$164,943,666
French Language Education (Elementary)	\$ 10,668,670
French Language Education (Secondary)	\$ 27,639,097
Reducing Under-Utilization	\$ 169,557,725
Student Transportation Grant	\$ 168,947,579
Capital Programs	\$ 239,348,155
Economy of Scale Savings	\$487,938,121 to \$813,230,202

Total Estimated Annual Savings
\$1,269,053,031 to \$1,594,335,112

Reference: <http://www.edu.gov.on.ca/eng/funding/1112/funding11.pdf>

PART II – POLITICAL IMPLICATIONS OF THE MERGER OF THE ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS

There can be no dispute as to the concern of many Ontario voters about the inequity of one religious school system being publicly funded to the exclusion of all other religions. However, there appears to be little support for the public funding of schools for other religions.

Public support for the removal of public funding for Catholic schools appears to be an entirely different matter. Several groups have been organized in Ontario to advocate this. One of the most active is Civil Rights in Public Education, Inc. From December 1997 until May, 1999, they placed ads in 45 newspapers in Ontario with the following question: "Do you support a single school system where all children, regardless of their religious affiliation, attend the same schools where opportunities for religious education, not specific to a religious denomination, are provided?"

Of the 7551 responses, 5949 (79%) answered yes. While this was not a scientifically valid poll, it provides some indication of public support for a single public school system. However, it would be prudent to commission a professional polling firm to conduct a poll of Ontario voters with questions that factor in the financial basis for an merger of the public and catholic school systems.

Reference: http://cripeweb.org/issues/school_referendum/referendum_results.html.

PART III – CONSTITUTION ISSUES RELATED TO THE MERGER OF THE ONTARIO PUBLIC AND CATHOLIC SCHOOL SYSTEMS

The Roman Catholic Church has maintained that Section 93 of the Constitution Act 1867 is an absolute protection for Catholic schools in Ontario. However, Section 43 of the Constitution Act 1982 provides for amending the Constitution of Canada where a provision relates to some but not all provinces.

Reference: http://laws.justice.gc.ca/eng/Const//Const_index.html

This was used by Quebec in 1997 to change to language-based school systems, French and English. On November 17, 1997, the Government of Canada amended the Constitution Act 1867 by adding immediately after Section 93 the following: "93A. Paragraphs (1) to (4) of section 93 do not apply to Quebec," after the National Assembly of Quebec passed a resolution authorizing an amendment to the Constitution of Canada.

Reference: http://www.parl.gc.ca/36/1/parlbus/chambus/house/debates/031_1997-11-17/han031-e.htm#LINK13

The same process was used by Newfoundland when referendum results showed that 73% of the voters supported a single school system. The Government of Canada passed an amendment to Section 93 on December 8, 1997 after receiving a resolution from Newfoundland authorizing an amendment to the Constitution.

Reference: http://www.parl.gc.ca/36/1/parlbus/chambus/house/debates/046_1997-12-08/han046-e.htm#LINK19

To enable the formation of language based (English and French) school systems in Ontario, the following resolution would have to be passed by the Ontario Legislature and then forwarded to the Government of Canada:

AMENDMENT TO THE CONSTITUTION OF CANADA CONSTITUTION ACT, 1867.

1. The Constitution Act, 1867, is amended by adding, immediately after section 93, the following:
"93A. Paragraphs (1) to (4) of section 93 do not apply to Ontario."

The tradition has been established that the Government of Canada would debate and pass enabling legislation to amend the Constitution which would permit the phasing in of the merger of the Ontario Public and Catholic school systems. All that appears necessary is a decision by the Ontario Government to pursue such a change.