



Ontario Catholic School
Trustees' Association

Box 2064, Suite 1804
20 Eglinton Avenue West
Toronto, Ontario M4R 1K8
T. 416.932.9460 F. 416.932.9459
ocsta@ocsta.on.ca www.ocsta.on.ca

Patrick Daly, *President*
Beverley Eckensweiler, *Vice President*
Nick Milanetti, *Executive Director*

July 17, 2017

TO: Chairpersons and Directors of Education
- All Catholic District School Boards

FROM: Patrick J. Daly, President

SUBJECT: **Ontario Association of School Business Officials (OASBO) letter regarding changes to the Minimum Wage**

As you are aware, the government has recently introduced Bill 148, *An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995* that would in part increase the minimum wage for Ontario workers to \$15/hour by October 2019.

Please find attached copies of two letters which OASBO recently sent to the Premier and the Minister of Education outlining the impacts of these changes to the minimum wage on school boards in regards to student transportation.

OCSTA is in the process of developing its submission on the issues and concerns of Catholic school boards with regards to Bill 148. We will forward this submission to you.

If you have any questions, please do not hesitate to contact me or Stephen Andrews at sandrews@ocsta.on.ca.

Attachments



**Building your career in
Ontario's educational
system**

OASBO is a member-driven organization, committed to building Ontario's provincially-funded education system through strong and efficient administration.

L'OASBO est un organisme piloté par ses membres et engagé à bâtir le système d'éducation financé par la province de l'Ontario à l'aide d'une administration solide et efficace.

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Toronto DSB

Sandra Vieira

Waterloo Catholic DSB

Ellen Warling

Hamilton Wentworth DSB

Executive Director

Paul McMahon

Kathleen Wynne, Premier
Legislative Building
Queen's Park
Toronto ON M7A 1A1

13 July 2017

Dear Premier Wynne,

SUBJECT: Impact on Ontario Students – Student Transportation – Minimum Wage Increase

In addition to the driver shortages experienced in the 2016-2017 school year which resulted in "...school buses that arrived long after their scheduled time, or didn't show up at all" as referenced in the 2016-2017 Annual Report, Office of the Ombudsman of Ontario, the Ontario Association of School Business Officials (OASBO) wish to raise some additional imminent challenges expected before the start of this school year.

Of immediate concern is the January 1, 2018 minimum wage increase. Student success is directly related to our children getting to school safely and on time but as importantly, reliability of the service to hundreds of thousands of families. As an extension of Ontario District School Boards, Transportation Consortia are directly tied to the school bus operator's ability to assign quality drivers twice per day, every day.

Even in rural areas, where historically driver recruitment and retention has been fairly predictable, Consortia are seeing challenges and having difficulty meeting service requirements. It is not unusual for licensed staff other than regular school bus drivers to be on routes to ensure our students get to school then home again. On many days, dispatchers, office staff, safety personnel, and even mechanics are on the road helping to meet service requirements. In other cases, routes are being doubled and tripled and our students are not getting to school on time or not at all. This directly impacts learning for Ontario students. Our ability to resolve problems quickly is limited and is diminishing especially in the absence of an effective funding formula.

As previously mentioned, the transportation sector is experiencing a driver shortage. Most Bus Operators do not pay minimum wage to their drivers, however there are some who do. The problem is two-fold. There will be bus operators who will be required to meet minimum wage legislation but the others are faced with compression. Compression refers to drivers who are demanding and expecting that the wage gap be maintained between what they currently earn and minimum wage. In many cases, these drivers are organized and represented by various unions which raises concerns for work stoppages meaning further impact on services. Immediately, Bus Operators expressed their concerns with recruitment and retention as a result of the increase in the minimum wage. We at OASBO, support the increases but are very concerned with the pressures the new minimum wage legislation will bring to the school bus industry. With a legislated raise in wages to



bus drivers, a similar increase in funds provided to Ontario's Bus Consortia is required to meet the new financial demands due to the minimum wage increase.

School bus companies differ significantly from other traditional vendors servicing our sector. This was highlighted throughout the Campbell report. Through competitive procurement or through limited negotiations, pricing and rates of return have been determined based on current operating conditions. If school bus companies were the same as other businesses, they would just raise prices. This is virtually impossible in a contract environment where the Consortia/School Boards do not have immediate access to funds or where contract language does not allow for changes to contract rates. While historically our position might be that the School Bus Operators are contracted at certain rates and it is their responsibility to honour it, clearly from the Toronto situation, there is a problem. With the addition of the minimum wage increases, it is not realistic or reasonable to have expected School Bus Operators to have projected a nearly 25% increase when they bid on contracts long before there was provincial discussion. With the driver shortage, Consortia have been imposing fines or transferring routes, however when there is a finite number of drivers, this is just not working. The increase in the minimum wage will exacerbate this exponentially, both from the recruitment and retention perspective and the bus operator's ability to pay.

We are looking forward to working with Ministry staff to help provide support and guidance to the school bus transportation sector and additional funding for School Boards/Consortia to mitigate the increase in the minimum wage and help relieve the pressure relating to the driver shortage.

We are asking the Minister to:

- Acknowledge the current driver shortage situation
- Acknowledge the situation that Transportation Consortia and School Boards will face with the proposed minimum wage changes
- Announce a plan to support Consortia and School Boards through this legislated change
- Provide additional funding to School Boards specifically to address the minimum wage concerns and mitigate the driver shortage

Yours truly,

Mark Connors
President, OASBO

Cc: Paul McMahan, Executive Director, OASBO
Judi Green, Liaison Director, OASBO
David Frier, Transportation Committee Chairperson, OASBO
Julie Cherepacha and Brian Jeffs, COSBO Committee Co-Chairs, OASBO



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Ellen Warling

Hamilton Wentworth DSB

Executive Director

Paul McMahon

The Honourable Mitzie Hunter
Minister of Education
Ministry of Education
22nd Floor, Mowat Block
900 Bay Street
Toronto, ON M7A 1L2

13 July 2017

Dear Minister Hunter,

SUBJECT: Impact on Ontario Students – Student Transportation – Minimum Wage Increase

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legislation will bring to the school bus industry. With a legislated raise in wages to bus drivers, a similar increase in funds provided to Ontario's Bus Consortia is required to meet the new financial demands due to the minimum wage increase.

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