

Explaining Education Funding and Property Taxation in Manitoba

**A Resource Guide
for School Boards
and the Communities They Serve**



Jointly produced by
The Manitoba Association of School Trustees
The Manitoba Association of School Business Officials
The Manitoba Association of School Superintendents

December, 2005

Table of Contents

	<i>Page</i>
Introduction	2
The Importance of Local Taxation Revenues for Public Education	3
Property Taxation in Balance	5
Education Funding and Taxation Reality Check	6
 Figures	
1 Provincial Overview - 2005/06 Budget, Local Taxation & Provincial Revenue supporting Operating Expenditures by Function.....	9
2 Sample School Division 2005/06 Budget, Local Taxation & Provincial Revenue supporting Operating Expenditures by Function.....	10
3 FRAME Operating Fund 1995/96 to 2005/06 (Provincial Contribution).....	11
4 Provincial and Municipal Contributions to Sample Division, Operating Revenues.....	12
5 School Division Operating Revenues 2000-2005	13
6 Expenditure Congruent Funding Model	14
7 Education Funding Models (Expenditure Congruent).....	15
8 Economic growth Funding Model	16
9 Education Funding Models (Economic Growth)	17
10 Property Taxation Support to Public Education in Canada	18
11 Education Property Tax in Manitoba as a % of Total K-S4 Operating Expenditures	19
12 School Property Tax Comparison - Residential 2000-2005.....	20
13 School Property Tax Comparison - Commercial 2000-2005	21
14 Education Price Index, Canada and Provinces.....	22
15 Provincial Budget 2005.....	23
 Appendices	
1 <i>Winnipeg Free Press</i> Article - "School trustees maintain democracy," September 19, 2002.....	24
2 <i>Educational Leadership Perspectives</i> - "School Tax Not Simply a Matter of Money," John R. Wiens, September 19, 2003	26
3 <i>Winnipeg Free Press</i> Article - "School boards serve Manitoba well," March 20, 2004	28
4 <i>Winnipeg Free Press</i> Article - "Education-tax claim incorrect," August 2, 2005	30
5 <i>Winnipeg Free Press</i> Article - "First talk about what the kids need," October 2, 2005.....	32
6 "Our overburdened schools," <i>American School Board Journal</i> , June 2005.....	34
 References	 35

Introduction

The Manitoba Association of School Trustees believes that public education should be financed through increased provincial operating support for school divisions balanced with a meaningful level of taxing authority for locally elected school boards.

Public debate about the funding of public schools and education property taxation in Manitoba is often characterized by misunderstanding, misinformation and vested interests. Moreover, in tough economic times or in light of competing priorities for public dollars, education property taxation has often been a lightning rod for public discontent.

Over the past two decades, declining provincial support for school divisions as a percentage of total operating expenditures, has resulted in increasing local property taxation to maintain the level of programs and services mandated by provincial policy and driven by public expectations. In recent years, the general public and various provincial bodies have become increasingly vocal about the need for change to Manitoba's education funding structure. A number of these groups have called for the province to assume all costs for the operation of Manitoba public schools and to eliminate completely all property taxation - both provincial and local - for this purpose. **The Manitoba Association of School Trustees concurs with the need for change and a significant increase in provincial operating support to school divisions. However, its membership does not support the complete elimination of school board taxing authority in this province given its critical importance in preserving local control in education and in sustaining quality education programs and services for Manitoba students.**

A meaningful level of local autonomy for elected school boards requires a sustained and comprehensive communications strategy at both the divisional and provincial levels to help citizens and communities understand the issues and the challenges of funding public education in our province. This resource guide is intended to assist in that endeavour.

This document presents education funding and property taxation from two perspectives. The first focuses on the importance of local taxation revenues in terms of program and service offerings for students and the capacity of elected school boards to respond to community priorities in this regard. The second provides data about municipal taxation in Manitoba, and about education property taxation in other provinces, as a comparative basis for assessing Manitoba's utilization of property taxation in support of public education. Templates and tools are provided to illustrate these perspectives; these can be modified as divisions deem appropriate to suit the information needs of various groups (parent councils, citizens' groups, business owners, municipal councils, community members, service clubs, etc.). School boards are encouraged, in as much as possible, to use local data to discuss and to illustrate the issues outlined in this document.

The Importance of Local Taxation Revenues for Public Education

Public education in all Canadian provinces is a shared responsibility of provincial governments and locally elected school boards, or in the case of New Brunswick, district education councils. In Manitoba, this shared responsibility includes both the policy setting for and the financing of public schools.

Historically, school division property taxation for education purposes is rooted in the notion that communities and individual citizens derive a common benefit from, and therefore share a collective responsibility for, educating young people, both from a programming and service perspective (the “what”), as well as from a financial one (the “how”). In recent years, public preoccupation with education funding in Manitoba has been dominated by a focus on “how” our public schools are funded (provincial general revenues, local property taxation, provincial property taxation) rather than any substantive discussion of what is or what should be funded.

Much, if not most, of the public debate on this issue is interest-based. Real estate associations view education property taxes as a disincentive to home ownership. Municipalities argue that property taxation should be restricted to property services like roads, drainage, recreational facilities, protection, transportation, etc. Agricultural producers are increasingly vocal about the need to reduce or eliminate property taxation on farmlands as farm income declines in the face of rising operating costs, natural disasters and sector crises. Cottage owners who pay education taxes on their primary residences feel that their cottage properties should be exempt. Many seniors whose children have long since passed through the public education system feel they should no longer be required to contribute financially through locally levied property taxation. On the contrary, it is the view of MAST and all other education stakeholder groups that public education is the responsibility of all citizens and that all citizens have an the obligation to finance public schools appropriately.

At the same time as many groups and individuals are calling for the elimination of school board taxing authority, public expectations of our school system continue to expand. Moreover, many of those critical of school boards and education property taxation have little sense of the realities which drive and shape education programming and services in schools. It is important, therefore, that citizens have a better understanding of these issues and of the significant contribution which local property taxation makes to the programs and services that communities value for students in Manitoba’s public schools.

To this end, four critical points of emphasis are identified:

- Existing programs and services for students are funded significantly through local property tax revenues. Any freeze or reduction of these revenues without compensating funding from the province would seriously jeopardize program and service delivery to students. (Figures 1 and 2)
- Annual funding increases for K to S4 education announced by the province do not keep pace with actual delivery costs for programs and services. The provincial percentage contribution to school division operating expenditures continues to decline while local property taxes rise to make up the difference. (Figures 3, 6, 7, 8 and 9)

- Many increased costs in school division operations are beyond the control of school boards. Provincial policy and legislation, arbitrated salary awards, and inflationary increases for services and commodities often have significant financial impact for school board budgets and property tax levels.

- The Special Levy allows school divisions to offer unique program and service enhancements and options for students that reflect local needs and the priorities of communities. Without local taxing authority, school divisions' capacity to provide these elements and/or alternatives would be seriously compromised.

Property Taxation in Balance

Manitoba's education funding structure is a complex one, and difficult to understand for the public and for many of the organizations which favour the elimination of property taxation to fund public education in this province. The inaccuracies and misrepresentations often present in discussions about education funding and property taxation serve only to exacerbate confusion and frustration in the public arena.

A comparative examination of education property taxation in Manitoba relative to municipal taxation in this province and education taxation in other provincial jurisdictions provides a more balanced picture and addresses many of the incorrect assumptions and beliefs commonly held by individuals and groups on these questions.

Among the trends and conclusions which can be drawn from a comparative analysis of this sort are the following:

- Total provincial funding models do not guarantee the elimination of property taxation for education purposes. Seven of ten Canadian provinces utilize designated levels of property tax revenues to support public education. With the exception of Manitoba and Saskatchewan, these property taxes are levied uniquely by provincial governments. (Figure 10)
- Total provincial funding models in other Canadian provinces have resulted in significant under-funding of public schools. Comprehensive studies in several provinces (Ontario, 2002, Saskatchewan, 2003, and Alberta, 2003) detail huge funding shortfalls in these jurisdictions and underscore the need for the immediate injection of additional and significant public dollars from the provincial treasury in order for public schools to meet their legislated program and service mandates.
- Education property taxation (Education Support Levy and Special Levy combined) in Manitoba, as a percentage of total public school operating expenditures, has remained relatively constant over the past two decades and more. There has been a shifting in the proportion of revenues collected by the provincial Education Support Levy and school division Special Levies. (Figure 11)
- Municipal property taxation levels exceed education property taxation levels in most Manitoba municipalities. Moreover, with access to multiple revenue sources not available to school divisions, municipalities have some capacity to mitigate against increases in their property tax levies.

Education Funding and Taxation Reality Check

There are a number of myths about education funding and property taxation in Manitoba that are frequently offered and accepted as fact. Here are some of the more common assumptions—or myths—and the realities behind them.

Myth:

Manitoba is the only province which uses property taxation to support public education.

Reality Check:

Seven of 10 Canadian provinces utilize designated property taxation revenues in support of public education. They are British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and Nova Scotia. In other provinces, provincial property tax revenues contribute to general revenue streams from which public education is funded. (Figure 10)

Myth:

Education tax makes up 50% or more of every property tax bill in Manitoba.

Reality Check:

In 2005, municipal taxes exceeded the combined Education Support Levy and Special Levy in 115 of 189 Manitoba municipalities. (Appendix 4)

Myth:

Education property taxation is a disincentive to home ownership.

Reality Check:

Housing sales in Manitoba over the past two years have reached unprecedented highs. Home buyers have not been deterred either by rising housing costs or property taxation levels.

Myth:

Education has no relationship with property ownership.

Reality Check:

Historically, public education in both Canada and the US has been governed and financed by local property owners. This model allows for greater community voice and control in public education matters. Moreover, strong schools add real value to a community, and to the quality of life for its residents.

Myth:

Full provincial funding for education will ensure quality and equity for students in Manitoba public schools.

Reality Check:

Full provincial funding in several Canadian provinces has resulted in significant and chronic under-funding of public education with concurrent losses and restrictions in programming and service offerings for students.

Myth:

Full provincial funding will reduce high-priced administration costs for public education.

Reality Check:

School division administration costs in Manitoba are restricted to less than 5% of total operating expenditures.

Myth:

Provincial funding increases for public education make property tax increases unnecessary.

Reality Check:

Provincial funding increases apply to just over 60% of total school division operating expenditures and vary significantly from one division to another depending upon formula variables. In 2005/06, the provincial increase in education funding was 2.8%, but increases received by individual school divisions ranged from -1.5% to +8%.

Myth:

Year over year increases in public education expenditures in Manitoba school divisions are significantly greater than in other jurisdictions and/or sectors.

Reality Check:

Statistics Canada's Education Price Index by province shows Manitoba's EPI in the mid-range among Canadian provinces for the period 1999 to 2003, and comparable to the increase in the Consumer Price Index for that same period. (Figure 14)

Myth:

The province funds 72% of operating costs for Manitoba public schools.

Reality Check:

The 72% figure includes amounts for capital funding, property tax credits and the teachers' pension plan which are not part of school division operating budgets. The provincial contribution to school division operating budgets in 2005-2006 is 62.6%. (Figures 1 and 3)

Myth:

If education property taxes are eliminated, home owners will experience significant tax savings.

Reality Check:

There is only one taxpayer. Revenues lost through the elimination of property taxes will have to be raised elsewhere. Moreover, there is no guarantee that municipal taxes will not increase to fill the tax room left by eliminating school tax levies.

Myth:

Higher property taxes are a result of school boards' unwillingness to control costs.

Reality Check:

Provincial policy directions and new legislation can introduce new and unfunded costs for school boards (ie. Workplace Health and Safety legislation, social policy initiatives such as nutrition and physical well-being, school division amalgamations, etc.). Provincial policy and community expectations can also limit school board options for significant cost reductions (i.e. larger class sizes, school closures, program reductions).

Figures

Figure 1

Provincial Overview – 2005/06 Budget
 Local Taxation & Provincial Revenue supporting
 Operating Expenditures by Function (in \$ Millions)

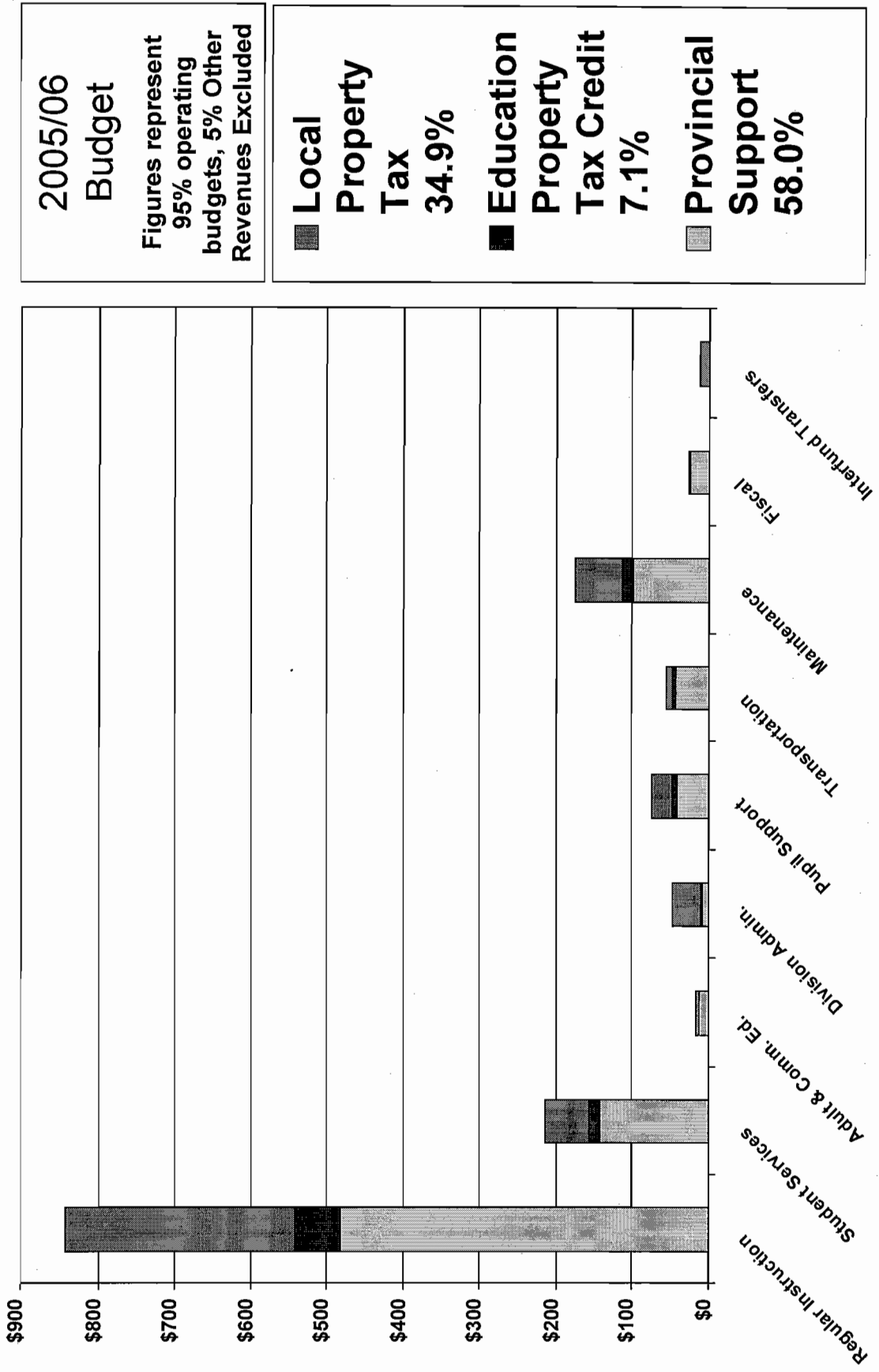
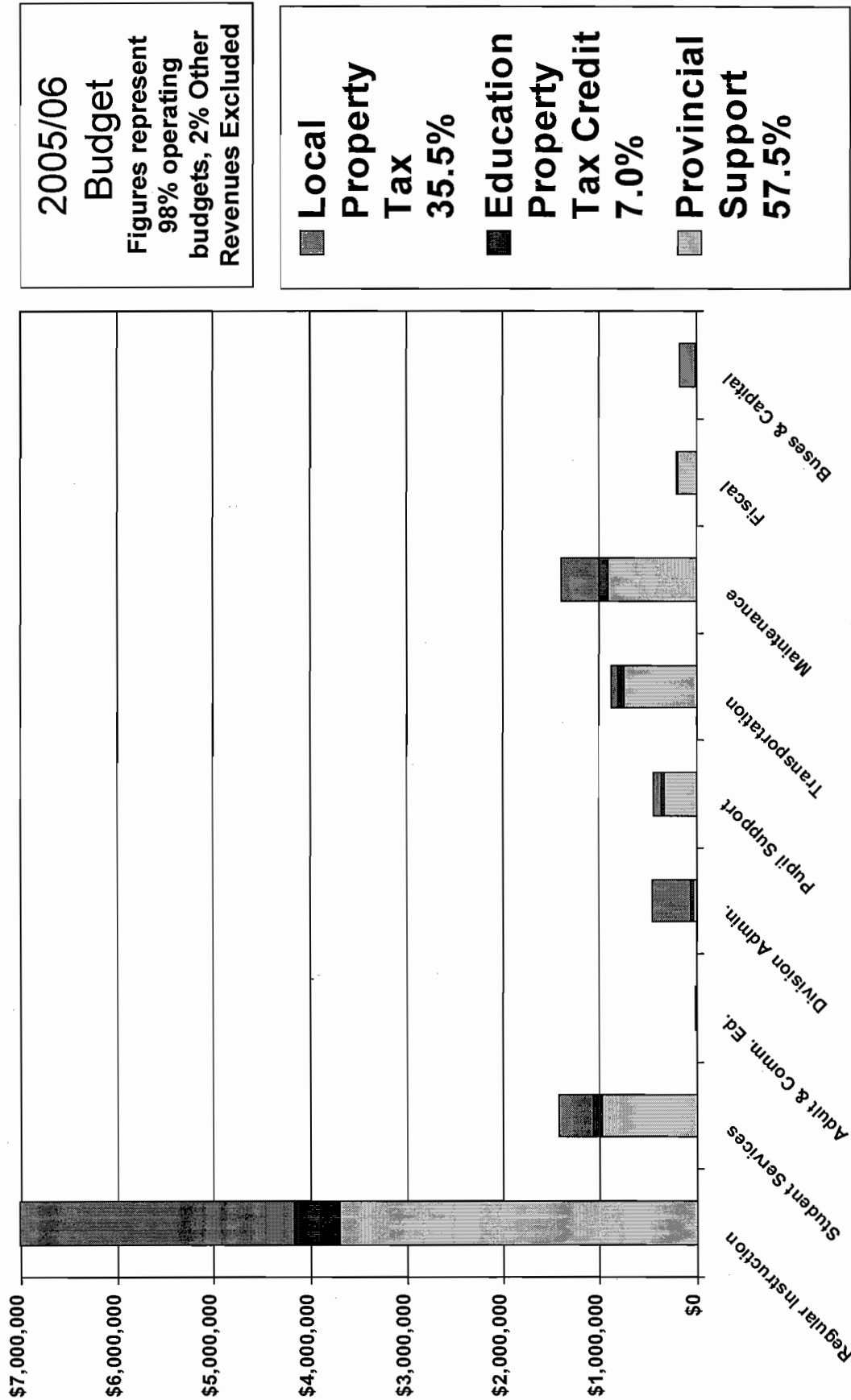


Figure 2

Sample School Division 2005/06 Budget Local Taxation & Provincial Revenue supporting Operating Expenditures by Function



**FRAME Operating Fund
1995/96 to 2005/06
(Provincial Contribution in \$ Millions)**

Year	Total Operating Expenses (millions)	Provincial Contribution (millions)	Provincial Contribution as % of operating
1995-96	\$1,097.1	\$701.7	63.8%
1996-97	\$1,097.0	\$692.2	62.9%
1997-98	figure not available	figure not available	figure not available
1998-99	\$1,146.6	\$709.7	61.3%
1999-00	\$1,194.8	\$730.3	60.6%
2000-01	\$1,241.1	\$759.0	60.7%
2001-02	\$1,298.0	\$771.8	58.9%
2002-03	\$1,366.5	\$790.4	57.8%
2003-04	\$1,430.4	\$815.1	57.0%
2004-05	\$1,481.2	\$830.3	56.1%
2005-06	\$1,534.5	\$961.2	62.6%*

*Reflects change in process and accounting practice for Education Property Tax Credit which is now paid from province directly to divisions.

Provincial and Municipal Contributions to Sample Division

Operating Revenues ¹ 2004/05 and 2005/06

	2004/05			2005/06	
Provincial (general revenues & Education Support Levy	\$6,974,800	59.2%	Provincial (general revenues, Education Support Levy and Property Tax Credit ²	\$7,732,288	63.5%
Municipal (Special Levy and Property Tax Credit)	\$4,636,400	39.3%	Municipal (Special Levy)	\$4,277,312	35.1%

¹ Operating revenues are those which school divisions use to support day to day operations of schools and all support services necessary for program delivery to students. As part of its total K to S4 education contribution, the province also funds capital costs, teachers' pensions, and Pensioners' School Tax Assistance which are not part of divisional operating budgets. These, combined with operating revenues to school divisions, bring the total provincial contribution for K to S4 education to 70.9% in 2005/06.

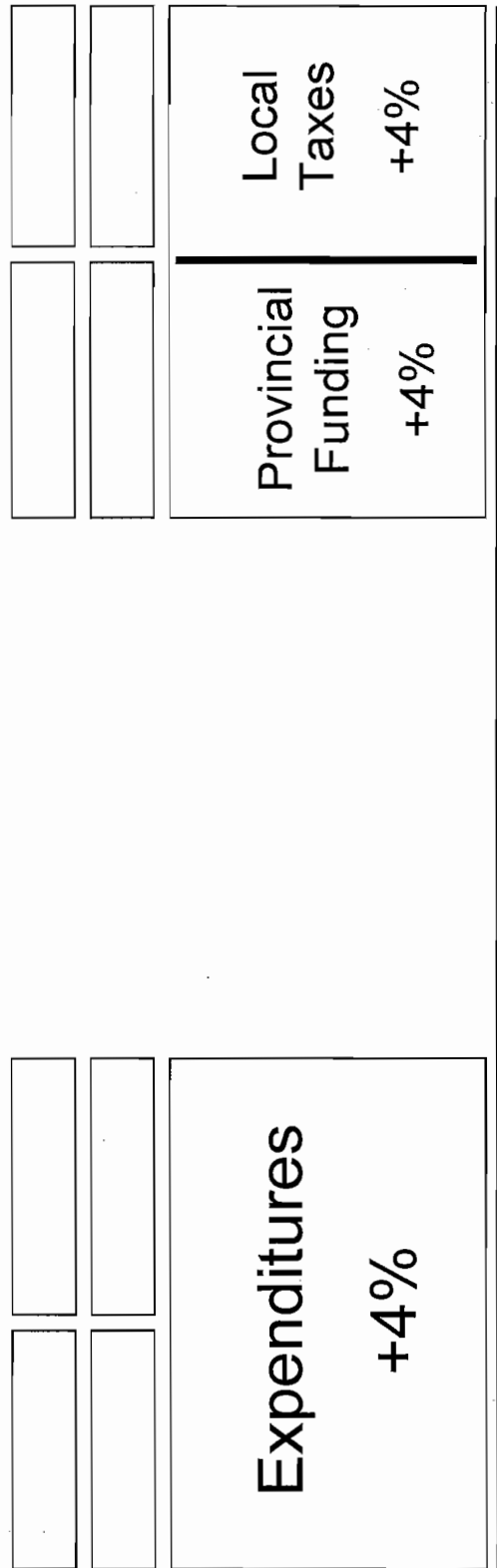
² Property Tax Credit amount in 2004/05 was included in municipal contributions to school divisions and refunded to municipalities by the province. As of 2005/06, the Property Tax Credit is no longer shown as part of the municipal contribution but is paid directly from the province to school divisions.

School Division Operating Revenues 2000-2005

Year	Provincial Grants		School Division Special Levy		Other - tuitions, transfer fees		Total Revenues
	\$	%	\$	%	\$	%	
2000							
2001							
2002							
2003							
2004							
2005							

Figure 5

Expenditure Congruent Funding Model



4% increase in expenditures matched by 4% increase in provincial funding and 4% increase in special levy taxation.

Figure 6

Education Funding Models

(\$ millions and % contributions)

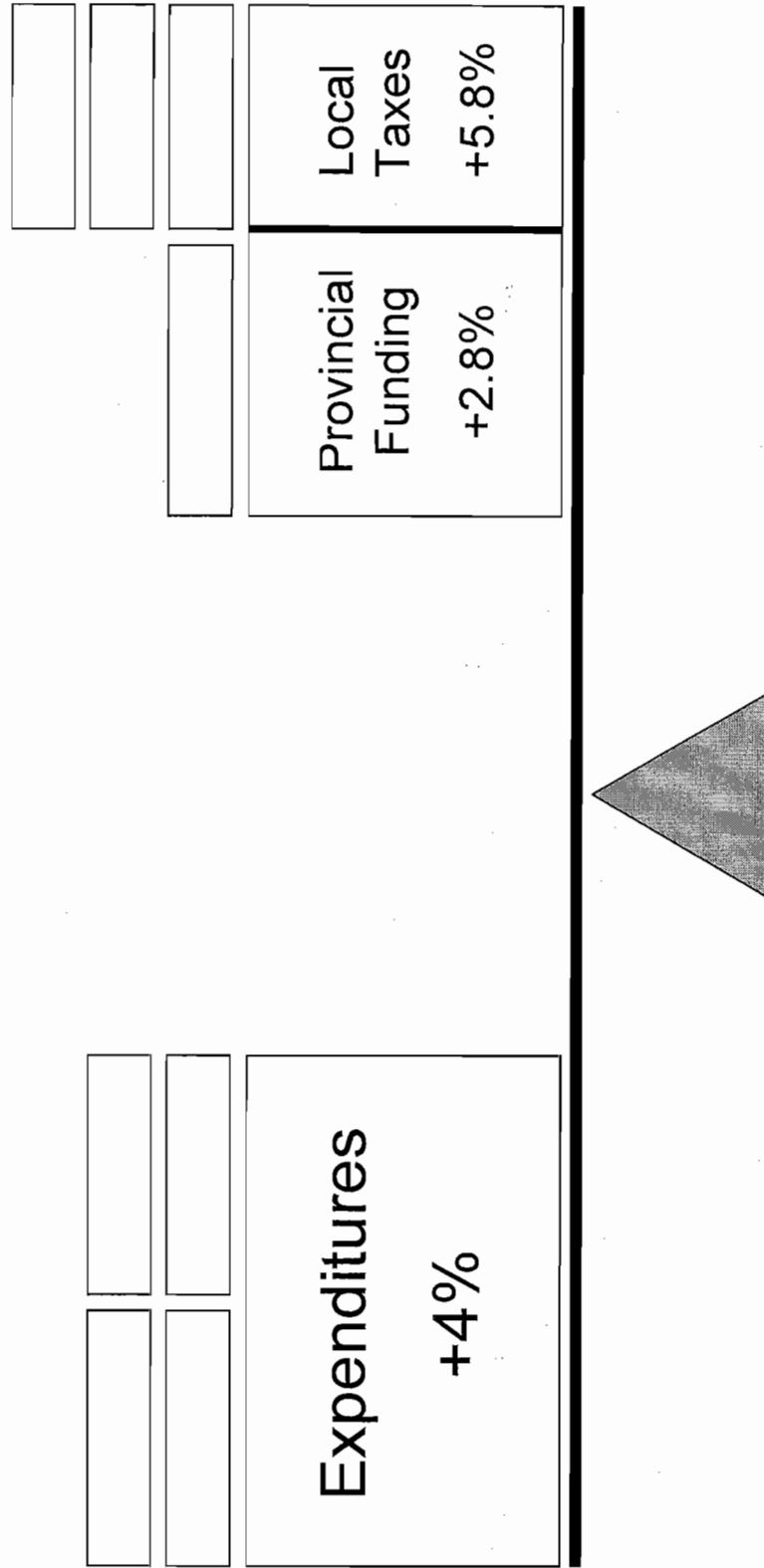
Expenditure congruent:

expenditure increase of 4% in each year matched by proportional increases in provincial and local revenues - maintains the ratio based on current situation

	Year 1		Year 2		Year 3	
	\$	%	\$	%	\$	%
Operating Budget	1,481		1,540		1,602	
Provincial Share	830	56.1	863	56.1	898	56.1
*School Division Share	651	38.9	677	38.9	704	38.9

*Division Special Levy only. 5% other source revenues excluded.

Economic growth Funding Model



4% increase in expenditures with provincial funding at rate of economic growth of 2.8% requires increase of 5.8% in Special Levy taxation to balance budget

Figure 8

Education Funding Models

(\$ millions and % contributions)

Economic Growth:

expenditure increase of 4% in each year with provincial revenue increase at rates of economic growth of 2.8% in Year 2 and 3% in Year 3.

	Year 1		Year 2		Year 3	
	\$	%	\$	%	\$	%
Operating Budget	1,481		1,540		1,602	
Provincial Share	830	56.1	853	55.4	879	54.9
*School Division Share	651	38.9	687	39.2	725	40.2

*Division Special Levy only. 5% other source revenues excluded.

Property Taxation Support to Public Education in Canada

(average % of K-12 costs paid from property taxes - Saskatchewan Learning 2002)



Manitoba's percentage is reduced by 11.5% to reflect the application of the property tax credit for a net total of 34.9%

* Property taxation revenues contribute directly or indirectly to the funding of public education in all Canadian provinces. In the majority of these, education is a designated recipient of property tax revenues. In the remaining provinces, Prince Edward Island, New Brunswick, Newfoundland and Labrador, provincial property tax revenues flow to provincial general revenues from which education is funded.

Figure 10

Education Property Tax in Manitoba as a % of Total K-S4 Operating Expenditures

	1984		1990		1999		2004	
	Amount	%	Amount	%	Amount	%	Amount	%
Total operating expenditures	\$688,470,314	---	\$935,523,714	---	\$1,213,852,036	---	\$1,461,309,215	---
Education Support Levy (ESL)	\$183,617,002	26.7%	\$207,852,553	22.2%	\$199,234,114	16.4%	\$174,315,306	11.9%
Special Levy (SL)	\$136,641,199	19.8%	\$245,243,369	26.2%	\$401,697,245	33.1%	\$557,814,233	38.2%
Total property taxation (ESL + SL)	\$320,258,201	46.5%	\$453,095,922	48.4%	\$600,931,359	49.5%	\$732,129,689	50.1%

Increase in total education property taxation as % of total K-S4 operating expenditures: 1984-1990 1.9%
 1990-1999 1.1%
 1999-2004 0.6%

Tax shifts from 1984 to 2004: Education Support Levy -14.8%
 Special Levy +18.4%

SCHOOL PROPERTY TAX COMPARISON RESIDENTIAL 2000-2005

City/Municipality Residential Market Value <hr/>	Provincial Education Support	School Division Special Levy	Total Education Taxation	Increase	Property Tax Credit Increase	Net School Tax Increase
1999						
2000						
2001						
2002						
2003						
2004						



SCHOOL PROPERTY TAX COMPARISON COMMERCIAL 2000-2005

City/Municipality Commercial Market Value	Provincial Education Support	School Division Special Levy	Total Education Taxation	Increase
1999				
2000				
2001				
2002				
2003				
2004				



Education Price Index, Canada and Provinces

	1997	1998	1999	2000	2001	2002	2003
	Elementary and secondary education						
	1992 = 100						
Canada	106.6	107.6	110.1	113.5	116.9	120.1	124.2
Salaries and wages	103.0	104.2	106.5	108.9	112.1	115.4	119.0
Non-salary	124.3	124.3	127.9	135.8	139.9	142.9	149.2
Provinces							
Newfoundland and Labrador	103.0	104.0	105.5	108.7	112.2	118.2	124.3
Prince Edward Island	101.9	103.3	106.1	108.8	112.4	115.9	119.6
Nova Scotia	101.0	103.9	106.7	109.7	111.7	115.6	119.2
New Brunswick	108.4	109.8	111.7	115.6	119.1	123.0	126.8
Quebec	107.8	108.9	113.6	118.0	121.8	124.5	129.2
Ontario	106.6	107.1	108.5	111.3	114.2	117.2	120.8
Manitoba	108.7	110.5	112.53	115.64	119.84	122.95	126.65
Saskatchewan	109.6	111.7	114.1	119.6	123.2	126.7	131.8
Alberta	104.6	106.5	111.1	115.3	120.8	125.9	131.0
British Columbia	106.6	107.6	108.4	111.2	113.6	116.2	119.2
Consumer Price Index (Canada)	108.6	110.5	110.5	113.5	116.4	119.9	122.3

Source: Statistics Canada, CANSIM, tables 478-0013 and 326-0002 and Catalogue no. 81-229XIB

Education Price Index - reflects % changes in education expenditures year over year. Components and weightings include salaries (80%), and non-salary items (20%) - instructional supplies, facilities, services and fees.

Provincial Budget 2005

The 2005 budget identified four priorities of Manitoba's provincial Government:

- paying down debt,
- making strategic investments,
- cutting taxes, and
- saving for the future.

Investments announced to address these priorities included:

\$314 M	deposit to Fiscal Stabilization fund
\$196 M	projected surplus
\$119 M	to municipalities - (8% increase over previous year)
\$110 M	debt and pension liability payment
\$56 M	for floodway expansion
\$54 M	reduction in business taxes
\$30 M	reduction in personal income tax
\$30 M	reduction in Education Support Levy
\$21.8 M	increase for school division operating budgets
\$20 M	reduction in farm taxes

Appendices

Please keep the reference number **1606337** in order to trace your transaction in case of a technical problem.
Print this invoice



Winnipeg Free Press

The Winnipeg Free Press

Focus, Thursday, September 19, 2002, p. a15

School trustees maintain democracy

By Jon Young

AS the Oct. 23 school board elections approach, the Winnipeg Free Press editorial board has once again trivialized the significant role of school boards in Manitoba. (It's absurd, Sept. 12).

At the heart of the notion of democracy is the requirement that people are able to participate actively in the decisions that affect how they live their lives. The kind of education provided for one's children is surely one of the most important places for such participation.

Central to the development of public education in Canada has been the belief that public schools must be accountable to the public, and school boards have provided the major political structure for this to occur at the local level. While education has always been a provincial jurisdiction, school boards have provided another vital arena for public debates in education, and the Manitoba Association of School Trustees (MAST) a strong political voice for the provincial government to pay attention to.

School boundaries have never been carved in stone and have been redrawn many times over the years, usually with considerable public debate, in response to shifting populations, improved transportation, changing educational economics and changing expectations of schools. Similarly, the powers delegated to school boards by the province -- for example, to develop curriculum, to raise local school taxes, or to negotiate salaries -- have changed over time.

Unlike governments in many other provinces across Canada, both the previous Progressive Conservative government and the current New Democratic Party government have seen the benefits of maintaining relatively small school divisions with, despite the Free Press's assertions to the contrary, considerable local autonomy. Public education in Manitoba is stronger for those decisions. The current round of amalgamations reducing the number of school divisions in the province to around 38 still leaves them small enough for good trustees to be in touch with and responsive to local concerns.

Thankfully, we have not chosen to go down the path that has, in Ontario, seen the creation of the Toronto District School Board where its trustees are expected to represent the interests of more than 300,000 students, or that in New Brunswick saw school boards abolished altogether in 1996 only to be restored a few years later. Furthermore, Manitoba school boards have retained the authority to raise local education taxes, negotiate salaries, establish programs, appoint staff and assume authority for a wide range of other activities essential to the health of a public school system.

Yes, amalgamation will add an element of confusion to the upcoming elections in those boards affected. Yes, the minister of education's requirement that those school boards involved in amalgamation (not all school boards as stated in the editorial) will have their budgets reviewed by the minister for the next two years (not three years as the editorial states) constitutes a constraint on their autonomy. Yes, one might wish for greater public participation in school board elections. However, it is absurd to suggest that these factors constitute a justification for not maintaining school boards in the province.

All of those people coming to the end of their term as school board trustees and all of those preparing to campaign for election on Oct. 23 need to be recognized and appreciated for the

part they play in maintaining a school system committed to the notions of democracy and the public good. They should be able to look to the Winnipeg Free Press as an ally in the pursuit of such goals.

Jon Young is head of the department of education administration, foundations and psychology in the faculty of education, University of Manitoba.


Category: Editorial and Opinions

Uniform subject(s): Education; Laws and regulations

Length: Medium, 483 words

© 2002 Winnipeg Free Press. All rights reserved.

Doc. : news-20020919-WF-0JonYoung001

 news-20020919-WF-0JonYoung001

This material is copyrighted. All rights reserved.

© 2005 CEDROM-SNI

“EDUCATIONAL LEADERSHIP” PERSPECTIVES

SCHOOL TAX NOT SIMPLY A MATTER OF MONEY

John R. Wiens
September 19, 2003

Contrary to what is suggested in the “Phase out School Tax” editorial of Friday, August 15, 2003 the elimination of property taxation for support of education is not simply a financial matter. For example, the experience of other provinces in taking this route has neither proven to be more cost efficient nor educationally beneficial. We might very well remind ourselves why the property tax was initiated in the first place, what other consequences have accompanied its elimination in other jurisdictions, what the realities of the property tax are and how current problems might be ameliorated.

The tax on property for the purposes of supporting education has a noble history with noble purposes. While recent experience is less than noble, the reasons are as valid today as ever. Education, in its fullest sense, is, and always has been, a home-grown local activity. Particularly for younger children most of their education is an extension of home life into an ever broadening community. During their early years and into late adolescence it emanates from their homes, from which children leave to go to school and to which they return from school. It is their school and their community that “raise” them and “educate” them even though the resources to do so are gathered globally in today’s world. To that end the tax on local property was, and still is, intended to be simply part of the commitment of a community to assume first and primary responsibility for educating its children and young people. Even in large, amalgamated districts with a larger, harder-to grasp sense of community it still is a way to say, “we who live here will educate our young” so that they can not only live better lives but also so they can contribute to making the world a better place. A noble work, a noble responsibility, a noble commitment – something to be proud of!

Larger jurisdictions, of course, have difficulty maintaining the familiarity of these purposes, often with disturbing consequences for children. Parents and other caregivers in Ontario, Alberta and British Columbia in particular have been very vocal in their concern that they no longer have access to the very people who make decisions about their children’s futures. Many rightfully complain that their children are either “invisible” to the public financiers and policy makers or that it takes months and years of advocacy, often at huge personal cost, to even appear on the “radar screen” of those with the resources to help. Until recently they were able to use the argument to their trustees, people who lived in or close to their homes and schools, that since they paid property taxes parents and communities were entitled to services for their children. While we, of course, hold to the argument that all children are entitled to education appropriate to their needs the reality is weakened when children are at a distance, as in centralized

jurisdictions, and the direct connections between public resources and education are weakened.

The property tax is also not as big a culprit as the editorial would make it out to be, nor are school boards as irresponsible as often implied in this debate. The holding or the owning of property is indeed an indication of one's level of wealth and one's ability to sustain it. The exchange of property, whether capital, currency, intellectual or other, is the main activity of our economy. The fact that the relationships are dynamic and fluctuating, sometimes to our loss, is one consequence of our type of economy. Taxation, particularly property taxation, for most, is not the major determinant in the long term of our ability to feed ourselves, clothe ourselves, amuse ourselves and educate our children. In other words, if people are unable to pay their property taxes, there are obviously other forces at work which are challenging people's abilities to sustain themselves. "While they may be the last straw, property taxes are not likely themselves to cause the camel's back to break."

Nevertheless, I believe the argument can be made that the proportion of school taxes paid by taxes on property is much higher than ever intended by those who initiated it, and the reliance of school divisions on property taxes to sustain quality education is out of proportion to the fluctuation in property values. Provincial governments simply should not be relying on school boards to the extent they do to keep overall taxation down. Provincial governments should fund a larger proportion of school taxes from general revenues, and similarly should not use property taxes as an excuse not to help farmers and others in genuine need from those same general revenues.

School boards, from my experience of over thirty years, have been very responsible for both the guarding of educational quality and the dissemination of property taxes. I have worked with many school boards, during budget preparation and at other times, and have yet to hear one trustee support unnecessary or unsustainable property tax increases. They are as close to the action, and certainly closer to educational action, than other municipal officials. They are as conscious of what their neighbours will say and how they will explain their decisions in the supermarket as any politician – and usually much more accessible. In recent years, they have found themselves to be caught between a rock and a hard place – balancing reduced provincial funding with the demand for improved education and increased educational services.

Finally, it can be argued that it is school boards who have initiated most of the improvements in education, usually in response to some interest, need or demand raised first locally. The only tool they've had, in some instances, is the crude tool of property taxation which, in spite of the argument I have made, is not as fair and equitable as income and retail taxes. Nevertheless, property taxes and school boards have been essential to the advancement of education in our province. Neither have outlived their usefulness. They are a reminder that our children and their education is everybody's business and responsibility - and that the greatest responsibility remains close to home.

Please keep the reference number **1606335** in order to trace your transaction in case of a technical problem.
Print this invoice



Winnipeg Free Press
The Winnipeg Free Press
Focus, Saturday, March 20, 2004, p. a15

School boards serve Manitoba well
System of checks and balances works

By Jon Young

IT'S budget crunch time again for school divisions across Manitoba. The provincial government has announced its funding for public education for the upcoming 2004-2005 school year and local trustees have been locked into their annual struggles to set local school board budgets, balancing community pressures to maintain quality programs with what local taxpayers are willing and able to pay.

This is a process that the Winnipeg Free Press calls "a mess" and an "absurd insufferable game" that, in its view, can only be resolved by the province assuming responsibility for the full funding of public education (Trustees' evasions, March 10, page A14.)

Before anyone too willingly accepts this assessment and rushes into the strategy of full provincial funding, it is worth considering the possibility that strong school boards with the power to raise education taxes (and negotiate collective agreements) have served Manitoba well -- and continue to do so -- and that notwithstanding low voter turnouts at election time, they remain a vital element of public involvement and public accountability in education.

What is insufferable to the Free Press are:

- "Soaring" increases in local school property taxes in Winnipeg from 3.92 per cent in Seven Oaks to 7.94 in River East Transcona (March 13);
- The trend over the last two decades that has seen the proportion of the annual operating costs of public schooling coming from property tax increase while the provincial share had declined to a low of some 56 per cent this year;
- The confusion that is deemed to exist in taxpayers' eyes between the provincial levied Educational Support Levy and the locally established Special Levy.

The Free Press' immediate solution is a freeze on school board taxes -- to be quickly followed by the elimination of school board powers to raise education taxes locally, and full provincial funding. In doing so Manitoba would be following the lead of most other provinces that now fund public education 100 per cent from a range of different tax sources, which may or may not include substantial provincial property taxes.

The arguments in favour of this approach include:

- The belief that general revenues -- a broad range of different taxes -- are a more equitable form of taxation than property taxes;
- That a single provincial funding source for education makes it easier for the public to hold someone accountable for the funding of education;
- That full provincial funding would make it easier to provide equitable services across the province.

On the first issue, the current government has committed itself to phasing out the provincial education property tax (the Education Support Levy) and replacing it with general revenues. This gradual approach offers a sound way of trying to shift some of the tax burden away from property owners while maintaining support for education and a role for school boards in educational finance. (While this should over time reduce the proportion of educational finance coming from property taxes, it has not happened to date as increases in school board property taxes have offset decreases in provincial property taxes -- hence the Free Press argument for a freeze.)

The case for arguing that a single provincial funding mechanism will increase support for education and public accountability is a hard argument to sustain. There is no evidence to suggest that a single provincial funding source will provide any benefits to the quality of education -- indeed higher levels of conflict, teacher strikes and teacher turnover have generally characterized the provinces such as Ontario, Nova Scotia and British Columbia that have moved to fullprovincial funding.

Moved totally to the provincial level, public schools will have to compete with all other provincial services for their share of provincial revenues, and at election time the electorate will have to assess a government's commitment to education along with all of its other actions. This is quite different from the current situation where locally elected trustees provide the mechanism for public education to be given the sole focus of their attention and responsibility and where voters choose their trustees solely on the needs and performance of the school system.

Class sizes

Full provincial funding would in all likelihood lead to a greater standardization of education -- the same class sizes, the same programs regardless of local interests and priorities -- but it is not clear that this is really what equalization is about. Currently we have a system that allows for equalization payments that seek to balance out the abilities of different school divisions to raise taxes locally but also allows for local communities to develop programs that reflect their unique circumstances.

Instead of attacking the budget process as an "insufferable game" is it not just as possible to recognize these struggles as "democracy in action" and the political process actually working well? Since coming to power in 1999, the current government has committed itself to increasing funding to public education to at least the rate of the growth in the provincial economy -- a level which Minister Peter Bjornson describes as "affordable, sustainable, (and) predictable."

The Doer government continues to have a high level of public approval. Given these funding levels, it is the task of school trustees to set their budget -- never an easy task because we invariably want both excellent services and low tax levels. Trustees are elected officials, they have to listen to their constituencies and if their budget plans are too far out of line with public opinion they hear about it -- their phones ring off the hook, board meetings become suddenly controversial, and they face defeat at election time by candidates running on a tax reduction platform. With the exception of one irate homeowner in Seven Oaks and the lobbying of real-estate agents (Free Press, March 17) this does not seem to be happening.

Perhaps our trustees have got this balancing act about right. Maybe Manitoba's system of checks and balances provided by school board has it right. Maybe Manitoba has a better system of public school governance than the likes of Ontario, Alberta or British Columbia.

I think it does.

Jon Young is head of the Department

of Educational Administration,

Foundations and Psychology in the Faculty of Education at the University of Manitoba.

Category: Editorial and Opinions

Uniform subject(s): Public administration and finances; Taxation and income tax

Winnipeg Free Press

ONLINE EDITION

Tuesday, August 2nd, 2005

Education-tax claim incorrect

In most of Manitoba, municipalities get bigger share of property levy

Tuesday, August 2nd, 2005

Nick Martin

IT'S a staggering statement that the Manitoba Real Estate Association is making in its campaign to get education funding off property taxes: "Education tax makes up 50 per cent OR MORE of every property tax bill in Manitoba."

They mean that on every single property-tax bill in Manitoba -- yours, mine, a family in Transcona, a senior in Virden, a farm family near Melita, a single mom in Selkirk, a widower in Russell -- every one of us pays 50 per cent or more to education, and by extension, half or less to the municipal government.

It would be even more staggering if it were true.

Education funding is a complex mess and there is huge support for taking it off property taxes, but the tax hit is not as drastic as the MREA claims.

The provincial Department of Intergovernmental Affairs says that outside Winnipeg, municipal taxes are higher than education taxes in 115 of 189 municipalities. The municipal portion is 60.5 per cent in Roblin, 63.7 per cent in Ste. Anne, 53 per cent in The Pas, 56 per cent in Dauphin, 55 per cent in Selkirk, 58 per cent in Neepawa.

The *Free Press* reported in its March coverage of school board budgets that residents of Winnipeg and Seven Oaks school divisions pay considerably more than half their property-tax bill for education if their mill rates are combined with the mill rate of the province's education support levy and compared to the city's mill rate.

But in Pembina Trails, St. James-Assiniboia, Louis Riel, River East Transcona and Seine River school divisions, city hall still takes the lion's share.

For instance, if you live in Fort Garry, 49.4 per cent of your tax bill goes to education. In St. James, 45.6 of the property tax bill comprises the school board and the provincial education support levy.

Lorne Weiss, chairman of the MREA's political action committee, insists the claim of 50 per cent or more is correct.

"On review of our statistics and through confirmation of the City of Winnipeg assessment department, we can confirm our information is correct and defensible," Weiss said in a recent letter, also insisting in an interview that city hall backs up the MREA's claim.

But as high as school property taxes may be, and as questionable as property taxes may be as the way to fund public education, the evidence would seem to indicate that in much of Manitoba, municipal councils still hit you harder on your property-tax bill than school trustees and the provincial government combined.

City assessor Brian Moore was surprised to hear his department listed as the source of the MREA's claim.

His department handles the assessed value of property and has nothing to do with taxation or mill rates, Moore said.

Mel Chambers, a senior manager in the city's tax department, said staff provided the Winnipeg Real Estate Board with a copy of an annual public report to city council, showing Winnipeg property owners overall paid more in school taxes than in municipal taxes. That report is not broken down by school divisions within the city.

Whatever the MREA claims, said Chambers, "it didn't come from us. I was specific: We can not make any comment on what goes on outside the Perimeter."

nick.martin@freepress.mb.ca

© 2005 Winnipeg Free Press. All Rights Reserved.

Please keep the reference number **1606493** in order to trace your transaction in case of a technical problem.
Print this invoice



Winnipeg Free Press

Winnipeg Free Press

Focus, Sunday, October 2, 2005, p. b2

First talk about what the kids need

RUTH ANN FURGALA

The mid-1980s saw the publication of a book by Molly McGee that asked the title question When **Do We Talk** About Kids?

The title alludes to the reality that, although most school trustees seek the office because of a genuine desire to serve children, much of their time is spent on issues such as budgets, facilities and labour contracts, not students in classrooms.

In light of the direction that discussions about public schooling have taken in Manitoba in recent years, I think we should answer the question posed by Molly McGee two decades ago with a resounding Now!

Now is the time that we talk about kids, that we talk about education. And by "we" I don't mean only school trustees. I mean federal, provincial, and municipal governments. I mean business groups and parents, seniors and students themselves. In short, we all need to enter into a long overdue discussion of just what it is we expect our public school system to accomplish, and what kind of future we want for Manitoba's children and youth.

It's not that public schooling isn't on the minds of some people. A casual reading of newspaper headlines and letters to the editor makes that very clear. However, with few exceptions, debate (more accurately, criticism) is focused on either the overall "excessive" cost of our school system, or the perceived inequities in the way in which that school system is funded.

The latter concern has become the topic of some very focused discussions. In 2001, the Association of Manitoba Municipalities struck a task force to examine education funding in Manitoba. In part as a response to the report of that task force, the provincial government established a Ministerial Advisory Working Group on education funding, which reported in July of 2004. Most recently, AMM has undertaken a public campaign urging the provincial government to remove all education tax from property.

We have also seen the establishment of an informal coalition of groups that are seeking 100 per cent provincial funding for public schools, and the complete removal of all property taxes in support of education. The anti-tax coalition's efforts have resulted in some thoughtful and potentially useful recommendations about how our current reliance on property tax as a source of education funding could be lessened. However, all of these initiatives have shared one shortcoming: they have looked at the question of how we fund education without, at the same time, asking what we are funding, and what we should be funding.

Perhaps the reason we choose to talk about the how of funding rather than the what of education is that we all assume we know what public schooling is about. That's a dangerous assumption.

Jamie Vollmer, a one-time vocal critic turned ardent advocate for the U.S. public school system, has traced the evolution of public schools in a document he calls The Burden. Decade by decade, for more than a century, he itemizes the increased demands that have been placed on U.S. schools, demands that largely parallel what has happened in Canada.

To institutions that once taught basic reading, writing and arithmetic, we have added the responsibility for kindergarten, vocational education, gifted programming, computer education, expanded health and psychological services... and the list goes on.

The conclusion is inescapable: As a society, we have been requiring more and more from our schools. As individuals, however, we don't have much direct involvement in today's schools through our work or our children, and with no ongoing dialogue about those schools to inform us, we tend to think that schools are still doing the job that they were doing when we were students. And depending on when that was, our views can vary enormously.

What we need to do is take a step back, acquaint ourselves with the reality of today's public schools, and ask ourselves what value we place on the services they are providing.

The dangers of looking at cost absent a discussion about value were graphically illustrated by the recent tragedy on the U.S. Gulf Coast. The cost of improved flood protection for New Orleans would have been enormous, but the value of those dollars never spent became clear when we learned about the cost of recovery,.

Let's not create a tragedy of our own. Let's make sure that we fully understand the value of what is happening in our schools before we place anything in jeopardy.

Let's decide what it is that we think schools should be doing. If that decision means something will be dropped, let's decide who will fill the gaps we may be creating in our children's lives. Then, let's talk about how much all of this is costing us, and how we might make it affordable for everyone.

In short, let's talk about kids and what they need to become the educated and productive citizens who will shape our society in the future.

Ruth Ann Furgala is president

of the Manitoba Association

of School Trustees.


Category: Editorial and Opinions

Uniform subject(s): Education; Laws and regulations

Length: Medium, 656 words

© 2005 Winnipeg Free Press. All rights reserved.

Doc. : news:20051002-WF-0ruthannfrugalacopy001

 news:20051002-WF-0ruthannfrugalacopy001

This material is copyrighted. All rights reserved.

© 2005 CEDROM-SNI

Guest Essay

Our overburdened schools

By Jamie Robert Vollmer

America's public schools can be traced back to 1647. Massachusetts Puritans assumed that families and churches bore the major responsibility for raising children, but they established schools to teach basic reading, writing, and arithmetic and to cultivate values.

Science and geography were added later, but the curriculum remained focused for 260 years.

Then, at the beginning of the 20th century, society started assigning additional responsibilities to the schools—a trend that has accelerated ever since:

From 1900 to 1910, we added nutrition, immunization, and health to the list of school responsibilities. Then, between 1910 and 1930, we added the practical arts; physical education, including organized athletics; vocational education, including home economics and agricultural education; and school transportation.

In the 1940s, we added:

- Business education
- Art and music
- Speech and drama



- Half-day kindergarten.

School lunch programs also appeared. We take this for granted today, but it was a significant step for schools to take on the job of feeding America's children one-third of their daily meals.

In the 1950s, we added:

- Expanded science and math education
- Safety education
- Driver's education
- Expanded music and art education.

Foreign language requirements were strengthened, and sex education was introduced.

In the 1960s, we added:

- Advanced Placement programs
- Head Start
- Title I
- Adult education
- Consumer education
- Career education
- Peace, leisure, and recreation

education.

In the 1970s, we added:

- Special education
- Title IX programs
- Drug and alcohol abuse education
- Parent education
- Behavior adjustment classes
- Character education
- Environmental education
- Women's studies
- African-American history.

School breakfast programs also were instituted, which means that some schools now feed children two of their three daily meals. Sadly, these are the only decent meals some children receive.

In the 1980s, we added:

- Keyboarding and computer education
- Global education
- Ethnic education
- Multicultural/nonsexist education
- English as a Second Language/bilingual education
- Teen pregnancy awareness
- Hispanic heritage education
- Early childhood education
- Jump Start, Early Start, Even Start,

and Prime Start

- Full-day kindergarten
- Preschool programs for at-risk children
- After-school programs
- Alternative education
- Stranger/danger education
- Anti-smoking education
- Sexual abuse prevention education.

Health and psychological services also were expanded, and child abuse monitoring became a legal requirement for all teachers.

In the 1990s, we added:

- Conflict resolution and peer mediation
- HIV/AIDS education
- CPR training
- Death education
- Expanded computer and Internet education
- Inclusion
- Tech prep and school-to-work programs
- Gang education
- Bus safety, bicycle safety, gun safety, and water safety education.

In the first years of the 21st century, we have superimposed on our overburdened schools a new layer of high-stakes, politically charged, standardized tests. And in most states we have not added a single minute to the school calendar in five decades.

All of these added responsibilities have merit, but the schools cannot take all of them on alone.

School boards must facilitate conversations in their communities to answer two essential questions: What do we want our children to

know and be able to do when they graduate? And how can our schools and our entire community be organized to make sure all children reach those goals?

The bottom line: Schools cannot raise America's children.

Jamie Robert Vollmer (jamie@jamievollmer.com), a former business executive and attorney, is a motivational speaker and consultant on increasing community support for public schools.

References

- Every child learns. Every child succeeds, Alberta's Commission on Learning, October 2003
- Finding the Balance - Commission on Funding Kindergarten to Grade 12 Education, Saskatchewan, December 2003
- FRAME reports, www.edu.gov.mb.ca/ks4/finance/index.html
- Investing in Public Education - Report of the Education Equality Task Force, Ontario 2002
- Rethinking Education Funding: Challenges and Opportunities - Report of the Association of Manitoba Municipalities Task Force on Education Funding, April 2001
- Sale, Tim, An Analysis of School Funding Across Canada, EduServe Inc., Vancouver, 1993
- Toward a New Finance Structure for Public Education in Manitoba - Report of the Minister's Working Group on Education Finance, July 2004