

A case for equity in public education funding

WOULD it be fair if the provincial sales tax were 10 per cent if you shopped in St. James and six per cent if you shopped in River Heights?

Would it be fair if you were a resident of Linden Woods or Whyte Ridge and had to endure a lengthy wait for an important medical procedure at an additional fee, but all those living in other parts of the city could have the same procedure without waiting at no additional fee?

Welcome to the bizarre world of provincial education financing where significant inequities presently exist between school divisions.

Although Seven Oaks School Division has the lowest cost per pupil amongst all the school divisions in Winnipeg, its taxes are higher than St. James, Louis Riel and Pembina Trails, which outspend it by large amounts.

The Manitoba Association of School Trustees and local school boards have lobbied the provincial government for less reliance on property taxes to fund education. Presently, a high percentage of school division budgets are borne by local taxpayers. Taxpayers residing in divisions that have greater amounts of commercial property pay less in school taxes than taxpayers do in divisions like River East-Transcona that have very little commercial property. For example, as



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incredible as it may seem, a homeowner in North Kildonan in River East-Transcona School Division pays more school taxes than a homeowner in Fort Garry in Pembina Trails School Division even though their homes have identical assessed values. A homeowner in West Kildonan in Seven Oaks School Division pays significantly more in school taxes than a homeowner in St. James with a home that has the same assessed value.

This inequity is further exacerbated by the level of per-pupil expenditure of each school division. Seven Oaks School Division spends less per pupil than any other school division in Winnipeg, but still has the second-highest school taxes. If it had Louis Riel School Division's commercial tax base, it would be able to cut its school taxes by more than three mills or increase its expenditure by \$3.6 million. If it had St. James commercial tax base, it would be able to cut its school taxes by more than seven mills or increase its expenditure by \$10 million.

We count on the provincial government through its funding formula to provide equal opportunities for all students across Manitoba and to correct any inequities that exist. It is puzzling the Province of Manitoba has not been able to correct this unfairness, despite repeated lobbying efforts on our part to local MLAs, the minister of education and the minister of finance. In fact, Manitoba is the only province in Canada where this kind of inequity exists. Most provinces have established a uniform provincial mill rate and disburse funds to school boards on a basis that is fair and equitable. Saskatchewan, like Manitoba, has school taxes set

by local boards but adjusts provincial funding to compensate for the differences in tax sources to ensure fairness to students and taxpayers.

In this year's education funding announcement, the provincial government provided a significant increase to school divisions. The trustees of the Seven Oaks school board were optimistic their lobbying efforts would pay off and that the inequities would be addressed. It was a disappointment to find out the gap between divisions had in fact widened. Low-spending divisions like Seven Oaks and River East-Transcona with low costs per pupil and small commercial tax bases had to raise school taxes while several higher-spending divisions were able to freeze their already low mill rates. It is predictable the recent announcement by Education Minister Peter Bjornson to continue the Tax Incentive Grant for which Seven Oaks and several other divisions do not qualify will widen the gap even more next year.

The Manitoba Association of School Trustees at their April convention overwhelmingly passed a resolution calling for a funding model that is equitable, flexible and sustainable; one that supports student learning and high levels of achievement for all students.

While the provincial government has made positive changes by increasing education funding and limiting property tax increases, it now needs to move quickly to correct the inequities that exist between school divisions.

Claudia Sarbit is a trustee and vice-chair of the Seven Oaks school board.

Taxing and spending

School divisions' 2007 mill rate taxes on a home assessed at \$100,000

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| Winnipeg | 27.87 |
| \$1,254.17 | |
| Seven Oaks | 26.78 |
| \$1,205.00 | |
| River East | 24.88 |
| \$1,119.42 | |
| Pembina Trails | 23.71 |
| \$1,066.92 | |
| Louis Riel | 23.48 |
| \$1,056.45 | |
| St. James-Assiniboia | 21.92 |
| \$986.38 | |

School division expenditure per pupil excluding transportation

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|----------------------|---------|
| Pembina Trails | \$9,521 |
| Winnipeg | \$9,329 |
| St. James-Assiniboia | \$9,054 |
| Louis Riel | \$8,844 |
| River East Transcona | \$8,626 |
| Seven Oaks | \$8,378 |

* Based on the 2006-07 FRAME Budget Data